

The NATIONAL UNDERWRITER

Life Insurance Edition

TO THE 100TH ANNIVERSARY OF THE NATIONAL ASSOCIATION OF LIFE UNDERWRITERS

WS. LAB.

B-40

B. M. A. MAKES THESE NEW RECORDS



ESTABLISHING 18 CONSECUTIVE MONTHS OF INCREASED BUSINESS

	1936	1935
Total Life Insurance in Force	\$104,973,517.00	\$101,443,570.00
GAIN	\$3,529,947.00	
Total Income of	5,586,656.22	5,349,329.73
GAIN	\$237,326.49	
Excess Security to Policyowners	1,347,098.54	1,207,622.95
GAIN	\$139,475.59	

CONDENSED FINANCIAL STATEMENT

December 31, 1936

Assets	Reserves and Surplus
First Mortgage Loans	Reserves to Guarantee Policy Obligations
\$ 4,650,797.44	\$12,070,305.63
Bonds	Reserve for Taxes
4,469,625.33	139,932.05
Loans to Policyowners	Reserve for Premiums and Interest Paid in Advance
1,410,406.75	265,133.38
Cash in Banks	Reserve for Other Miscellaneous Obligations
597,023.93	116,262.14
Real Estate	Total Reserves
1,982,958.16	\$12,591,633.20
(Including Home Office Building from which gross rental income of \$139,828.76 was received in 1936)	Capital Stock
Interest and Rents Due and Accrued	\$500,000.00
122,889.97	Contingency Funds
Premiums in Course of Collection	210,000.00
705,030.16	General Surplus
Total	637,098.54
\$13,938,731.74	EXCESS SECURITY TO POLICYHOLDERS
	1,347,098.54
	Total
	\$13,938,731.74

RATIO OF \$110.70 ASSETS FOR EACH \$100.00 LIABILITIES

These figures show that B. M. A. has \$110.70 assets for each \$100.00 of liabilities—a ratio equalled by few American Life Insurance companies, even including the oldest and largest in the country. For detailed 1936 financial statement, write the Business Men's Assurance Co., B. M. A. Bldg., Kansas City, Missouri.

\$37,947,36.16 PAID POLICYOWNERS and BENEFICIARIES SINCE ORGANIZATION

BUSINESS MEN'S ASSURANCE COMPANY

HOME OFFICE—KANSAS CITY, MO. BRANCH OFFICES:

Cedar Rapids—Chicago—Columbus—Dallas—Denver—Detroit—Indianapolis—
Little Rock—Los Angeles—Louisville—Madison—Minneapolis—Nashville—
Oklahoma City—Portland—Salt Lake City—San Diego—
San Francisco—Seattle—Springfield, Ill.—Wichita

FRIDAY, FEBRUARY 5, 1937

In full color, this advertisement appears in a number of leading magazines as a part of the national advertising campaign of

NEW YORK LIFE INSURANCE COMPANY



New York Life Insurance Company's reproduction of the painting "The Flying Cloud" by Montague Dawson. Courtesy of the owner, Philip Suwal, Inc., New York City

THROUGH EVERY "STORM"... SINCE 1845

Like a sturdy ship, the New York Life has come through every "storm" . . . every test . . . safe and staunch.

There are three major tests of the strength and stability of a life insurance company. Two of them apply to all financial institutions, and the third is a test of life insurance companies in particular: the *panics*, when thousands of people lose their hard-earned savings in speculative ventures or unfortunate investments . . . the *wars*, when the entire economic life of

the nation is thrown out of balance . . . the *epidemics*, which sweep the country and result in large total payments to those who have been protected through life insurance.

New York Life has repeatedly met these three tests since it was founded as a mutual life insurance company on April 12, 1845.

In the light of the panics, wars and epidemics of the past, it should be obvious why the New York Life adheres to

a philosophy of conservatism. In investing the assets which it holds for the benefit of its policyholders, the Company is guided by the principle that safety is always the first consideration. New York Life calculates its policy reserves on the most conservative basis used by American life insurance companies.

The margins of safety behind a New York Life policy are such that a policyholder need never worry about the security of his insurance in the New York Life.

SAFETY IS ALWAYS THE FIRST CONSIDERATION . . . NOTHING ELSE IS SO IMPORTANT

The NEW YORK LIFE—A Mutual Company founded 92 years ago on April 12, 1845

THOMAS A. BUCKNER, Chairman of the Board

51 MADISON AVENUE, NEW YORK, N. Y.

ALFRED L. AIKEN, President

THE NATIONAL UNDERWRITER Life Insurance Edition. Published weekly by The National Underwriter Company. Office of publication, 175 W. Jackson Blvd., Chicago, Ill. Forty-first year. No. 6. Friday, February 5, 1937. \$3.00 per year, 15 cents per copy. Entered as second class matter, June 9, 1900, at the post office at Chicago, Ill., under act of March 3, 1879.

The NATIONAL UNDERWRITER

Forty-First Year—No. 6

CHICAGO, CINCINNATI, NEW YORK AND SAN FRANCISCO, FRIDAY, FEBRUARY 5, 1937

\$3.00 Per Year, 15 Cents a Copy

Lapses Prominent by Their Absence

Record Due to Thoughtful Buying
and Lack of Speculative
Mania

OLD LOANS LIQUIDATED

Increase of \$3,500,000,000 Insurance in
Force Helps Offset Lowered
Production for Year

NEW YORK, Feb. 4.—Persistency records that are little short of amazing are reported by home offices, indicating that life insurance bought during the depression, though sold against stronger resistance, has been acquired with a seriousness of purpose frequently absent in more prosperous periods.

Beside this possibly more purposeful attitude on the part of the insurance-buying public, there are some factors inherent in the general economic picture which tend to promote exceptionally low lapse rates. While final figures for December may appear to indicate that lapses are tending upward again, it should be remembered that there is a normal seasonal increase in lapses in that month.

Little Speculative Fever

An important factor in present low lapses is the lack of any great degree of speculative fever among the public. It was this mania that made the 1929 lapse rate worse than that of 1930. People borrowed on their life insurance during the stock market boom and it is hard to say how far they would go in that direction again if a really big bull market should come along.

Another pertinent point is that right now the heavy policy loans of the worst years of the depression have been washed out, some by repayment or reduction of loans, but most of them by surrender. Then, too, billions of dollars of insurance being liquidated because of heavy policy loans means that today a great deal of the \$104,500,000,000 in force is relatively new and could be surrendered only for a small amount of cash and with pretty severe penalties in the way of surrender charges. Quite a few companies having low surrender charge scales increased during the depression years and perhaps some of the persistency improvement is traceable to this.

Early Lapse Normally a Problem

However, the present excellent persistency record, together with the very small demand for policy loans which is now being experienced, should not be too much discounted by the small amount of cash available on a large fraction of the business now in force, for the normal experience is that early lapses are much more of a danger to

(CONTINUED ON LAST PAGE)

Quick Cancellation Is Upheld as Protection Against Fraud

WASHINGTON, Feb. 4.—Upholding the right of an insurance company to take advantage of such remedies as may be available to protect itself against loss through fraud, the United States Supreme Court ruled the American Life of Colorado had acted properly in seeking by equity action to cancel policies based on applications containing fraudulent statements.

The opinion, reversing a decision of the United States 10th Circuit Court of Appeals, followed a review of the case granted, it was stated, to determine scope of equitable remedies in such situations. The policies carried a clause that they should be incontestable after one year, if the insured were living, or two years if he were dead. The insured had died within four months of issuance and suits for cancellation were brought about three months later.

Upholds District Court

Under a stipulation to try the equity issues before the law action, the suit came up for hearing and the district court ordered the policies cancelled, and was reversed by the appeals court which held the company should have awaited the bringing of a law suit. While upholding the general rule that fraud in procurement of insurance is provable as a defense in an action at law upon the policy, without resort to equity, the Supreme Court held if an insurer were to stand aside awaiting a move by an adversary, the latter might refrain from action until after the time limit of the incontestability provisions had expired.

Thus, it was held, it was reasonable for the company to seek to protect itself by equity proceedings and there was no undue haste, as charged, in view of the fact that crowded court calendars or other factors might act to prevent action until after the expiration of the time limit. While "an insurer, though the victim of a fraud, may commonly stand aside and await the hour of attack," the court pointed out, "this attitude of aloofness may at times be fraught with peril."

Speedy Move Justified

"If the policy is to become incontestable soon after the death of the insured, the insurer becomes helpless if he must wait for a move by some one else, who may prefer to remain motionless till the time for contest has gone by." Accordingly, it was ruled, "an insurer, who might otherwise be condemned to loss through the mere inaction of an adversary, may assume the offensive by going into equity and there playing cancellation. This exception to the general rule has been allowed by the lower federal courts with impressive uniformity."

Metropolitan Life Shows Over 21 Billion in Force

NEW YORK, Feb. 4.—The Metropolitan Life ended 1936 with the largest amount of life insurance ever in force in any company, \$21,310,975,784, or more than one-fifth of the total outstanding in all American companies. This was in the form of 42,990,980 policies, including 1,808,476 lives insured under group policies, held by an estimated 28,400,000 policyholders or every fifth person in the United States and Canada.

These figures were released today when Chairman F. H. Ecker and President L. A. Lincoln reported on 1936 operations at the opening session of the three-day managerial conference of 1,300 district managers and outstanding assistant managers and agents at the Waldorf-Astoria. The year was described as being in its major aspects the best in the company's history.

All-Time Peak in Each Class

Each class of insurance in force also reached an all-time peak: Ordinary, \$10,896,871,470; industrial, \$7,175,974,709; group, \$3,238,129,605. In addition the company had in force a record amount of accident and health coverage, \$1,476,152,165 principal sum and \$17,238,719 weekly indemnity.

Insurance issued totaled \$2,265,873,121, divided into \$1,114,803,062 ordinary, \$1,009,049,516 industrial and \$142,020,543 group. Payments to policyholders totaled \$511,143,806, of which \$164,916,631 was death claims. Assets increased \$259,-

899,261 during the year and on Dec. 31 stood at \$4,494,701,772 with surplus at \$278,424,668. Income for the year was \$988,220,678.

Total dividends payable this year will be \$101,581,144 as against \$95,994,581 reserved for this purpose last year. There will be slight changes in the ordinary dividend scales to make them reflect more accurately current investment and mortality conditions, while industrial dividends will be substantially the same as last year.

A marked falling off in cancellations and a drop in total policy loans were cited as evidence of bettered economic conditions, with gains in group insurance evidencing improving business and a pickup in industrial employment.

Change Is Made in Date of Life Insurance Week

Life Insurance Week will be May 17-22 instead of May 11-17. The committee for Life Insurance Week, in making the announcement, said it was decided to change the date in order not to clash with the flood of publicity about the British coronation which will probably monopolize the United States press during the week originally chosen. Life Insurance Week headquarters have been established at 79 Elm street, Hartford.

E.S. Brigham Head of National Life

Succeeds Fred A. Howland, Who
Becomes Chairman of
Vermont Company

CHANGE IS A BIG SURPRISE

Retiring Chief, 72, in Excellent Health,
But Believes in Advancing
Younger Men

MONTPELIER, VT., Feb. 4.—President Fred A. Howland of the National Life of Vermont was this week elected chairman of the board and Elbert S. Brigham, vice-president and finance committee chairman, was elected president. Mr. Howland had been president since 1916.

News of Mr. Howland's resignation as president comes as a surprise to all except his intimate associates, for despite his 72 years, he has the appearance of vigorous health. It is understood that his decision was due to his belief that executives of advancing age should give way to younger men.

Left Congress in 1931

Mr. Brigham, who is 59 years old, has been a high ranking executive of the National Life since he left the United States Congress nearly six years ago. For a number of years before that, he had been a director. His financial ability as proven during the last five years and his liberal and broad minded policies in other respects made him the logical successor to President Howland in the eyes of the directors.

Mr. Brigham was born in St. Albans, Vt., graduated with Phi Beta Kappa honors from Middlebury in 1903. He later became Vermont commissioner of agriculture and served 11 years. Although he had never previously held any public elective office, when he ran for Congress in the fall of 1924, he received a plurality of approximately 25,000 votes, and four years later he was returned to Congress with another substantial plurality. Though it was generally believed that he could have been reelected for another term, he decided not to run, as in the fall of 1930 he was offered the chairmanship of the National Life's finance committee.

Aided in Bank Crisis

After joining the National Life, Mr. Brigham continued his interest in public affairs, both with respect to farming and to banking. When the bank holiday was proclaimed by the President in 1933, Mr. Brigham was chosen chairman of the state advisory banking board. He gave much time and thought to this situation and helped lead the banks through their crisis.

In resigning as president, Mr. Howland leaves the company in fine condition financially at the end of a year of business which showed an increase in

(CONTINUED ON LAST PAGE)

Year End Figures of Life Companies Show Substantial Progress Is Made

PENN MUTUAL LIFE

The annual statement of the Penn Mutual Life reporting operations during the 90th year of its corporate life, shows paid-for production of \$179,056,075 under 55,612 policies. Total outstanding insurance rose to \$1,875,394,495. Paid-for in 1936 increased substantially over 1935.

Income policies, as with other life companies, continue in public favor. More strongly marked each year since 1930 has been the demand of applicants for secure incomes for old age. The company reports a maintained increase in salary reduction policies, this being a form of service in which regular policies, with non-forfeiture features, are issued to employees, and the year's premium is divided into 12 monthly parts, which are deducted by the employer and remitted to the insuring company. Insurances on women greatly increased during 1936. About 80 percent of the proceeds of policies issued to men are payable to women, and rapidly growing is the volume of insurance issued to women that is payable to them or their beneficiaries.

Income Account

Premiums were \$73,739,390; investment income \$44,640,872, and from funds left with the company under income contracts, \$12,222,154.

Policyholders received \$53,775,954 for death claims, matured endowments, income installments, annuities, disability claims, and policy surrenders for cash values. Dividends paid to policyholders were \$10,838,579. The assets are \$636,875,962. Among the liabilities are \$29,954,911 in dividends left to accumulate at interest, and \$11,000,000 reserved for dividends to policyholders in 1937. The surplus reserve, for mortality and asset fluctuation and other contingencies, is \$30,356,035.

The Penn Mutual has outstanding 529,027 policy contracts, having a face value of \$1,875,394,495. During the 90-year period since its founding it has paid \$1,094,781,650 to policyholders.

MUTUAL BENEFIT LIFE

The Mutual Benefit Life shows a gain during 1936 of more than \$31,000,000 of assets, bringing its total to \$618,458,286.58, the highest in the 92 years of operation. Contingency reserves or surplus were increased by \$3,694,332.41 to \$29,970,170.09, another high point. Insurance in force stood at \$2,006,774,187

showing a slight but significant gain when contrasted with business in force Dec. 31, 1935. Total business gained in both quality and quantity—a total of \$132,675,982 was paid for. Premium income increased to \$69,36,276. An increase in total income is also reflected in the 3.88 percent interest rate earned on total assets. Substantial reductions in policy loans, "replacement" business and voluntary terminations are further favorable factors in the report. The company received in cash more than \$9,600,000 in repayment of policy loans.

NORTHWESTERN MUTUAL

The Northwestern Mutual Life reports sales of new insurance for 1936 at \$266,722,873, an increase of \$11,270,454 or 4.4 percent. New policies numbered 72,189, an increase of 2,570. The average amount per life was \$4,213.

Insurance in force totaled \$3,778,148,862 and the total number of policies increased to 1,007,857. This is a gain of \$73,128,727 in amount and 20,680 in number of policies.

Total admitted assets are at a new high of \$1,129,853,696, a \$57,861,740 increase. Cash totals \$10,890,099, bonds \$545,939,095, representing 47.4 percent of admitted assets. Bonds at amortized values include U. S. government obligations direct or fully guaranteed, of \$148,010,353; domestic, state, county and municipals, \$152,534,089; Canadian government, provincial and municipals, \$39,111,894; railroads, \$141,784,469; public utilities, \$53,098,291; industrials, \$1,400,000.

Mortgage loans totaled \$303,069,007 or 26.8 percent of total admitted assets. This is an increase of \$6,620,215. Investments in farm mortgages were \$91,557,130, a decrease of \$17,367,726. Farm loans are still actively sought but competition is vigorous. City loans totaled \$211,511,887, an increase of \$23,987,941. The Northwestern Mutual re-entered this field in 1935.

Real estate owned totaled \$46,906,713, or 4.15 percent of total assets. This includes home office property carried at \$5,111,114; farm properties of \$28,146,428; city properties of \$5,560,839, and land contracts of \$5,088,332.

Policy loans at \$184,149,962 showed a reduction of \$17,287,218 for the year. New policy loans continued to decrease, totaling \$17,210,772 in 1936 compared to \$22,594,634 in 1935, and the high of \$70,271,453 in 1932. Cash repayments on policy loans continued at a higher than

normal level during the past year. Total cash received in payment on principal during the period amounted to \$18,392,213. In addition \$4,492,007 in cash was paid as interest. The increase in repayments and the reduction in new loans resulted in an 8.6 percent decrease in outstanding loans.

Dividends of \$30,600,000 are payable in 1937. Surplus is \$54,458,802, a \$5,961,259 increase.

Income of Northwestern Mutual for 1936 totaled \$207,774,699, disbursements \$146,871,580, excess of income over disbursements \$60,903,118. Disbursements included \$111,206,001 paid to policyholders and beneficiaries, of which \$43,173,827 were death claims and \$35,787,301 dividends. Policyholders were paid \$10,548,618 from funds left on deposit in installment and option payments. The percentage of actual to expected mortality decreased from 59.46 in 1935 to 56.78 in 1936.

AETNA LIFE

The total premium income last year of the Aetna Life companies was \$145,366,139, an increase of \$10,306,926. The Aetna Life itself increased its contingency reserve to \$8,600,000. Its net surplus is \$18,266,430, capital \$15,000,000. The increase in surplus is \$4,684,695. New life insurance is \$306,841,818, exclusive of additions of \$434,959,230 under group policies. Its new business increased 5.2 percent. The insurance in force is \$3,727,304,555, increase \$202,790,309. The annuity premiums are \$12,797,094, increase \$2,380,805. The net rate of interest earned was 3.72 percent. It paid policyholders in the life department \$58,408,106. Its assets are now \$547,604,514, increase \$44,125,997.

FRANKLIN LIFE

The Franklin Life's assets are now \$33,834,913, of which \$2,308,906 are federal bonds, \$843,557 state, \$1,342,767 municipal, \$2,127,147 public utility, \$656,600 railroad, \$740,619 industrial. It has \$6,251,004 farm loans and \$3,826,704 city. Its policy loans are \$7,051,964 and real estate, including home office building, \$6,287,887. Its capital and surplus are \$1,225,481. Its insurance in force is \$172,016,295. The company was organized in 1884.

PROVIDENT LIFE & ACCIDENT

The Provident Life & Accident of Chattanooga shows a 24 percent in-

crease in life insurance in force, 18 percent gain in premiums and 15 percent increase in assets. The life insurance in force gained \$19,405,854, bringing the total to \$98,056,865. The gain in premium income was \$1,005,127, bringing the total to \$6,542,851. The assets are \$8,472,204, gain \$1,145,456. The policyholders surplus is now \$2,349,691.

DOMINION LIFE

Total assets of the Dominion Life at the year end exceeded \$33,758,000. This was an increase of more than \$2,660,000 for the year. The market value of securities is \$426,460 more than the book value taken in the statement.

Insurance written amounted to \$23,496,796, which was a considerable increase. Income increased by \$876,623, the total income being \$7,772,710. The excess of income over disbursements was \$3,134,192.

Insurance in force gained \$8,740,784 and the total in force is now \$164,019,813.

Death claims paid amounted to \$919,294 while total payments to beneficiaries and policyholders amounted to \$2,960,511.

The Detroit branch under Manager Frank W. Simpson led the company in new paid for business. This is a growing unit. At the beginning of this year the Detroit branch took over several new offices in the Union Guardian building.

OLD LINE LIFE

The Old Line Life of Milwaukee shows assets \$19,482,552, of which \$293,302 is cash, \$1,380,469 federal bonds, \$1,679,595 other governmental bonds, \$604,419 public utilities, \$228,660 railroad, \$6,731,756 city mortgages, \$747,199 farm mortgages, \$2,667,927 policy loans, \$4,084,076 real estate. Its capital is \$1,000,000 and the net surplus is \$1,075,505. Its life premiums were \$2,338,098, increase 47 percent; accident and health \$150,595, increase 15 percent; paid policyholders \$1,552,464, income \$3,412,240, disbursements \$2,518,861, life insurance in force \$75,183,998, gain \$2,520,789, new life insurance \$8,126,587, increase 30 percent. The assets increased \$815,686.

LIFE OF VIRGINIA

The Life of Virginia reports an increase of \$23,158,155 insurance in force, making the total \$440,095,757. Assets total \$88,905,772, a gain of \$5,763,454. Capital, surplus and reserves for contingencies amount to \$15,945,390.

GUARANTEE MUTUAL LIFE

The Guarantee Mutual Life of Omaha in its new statement shows assets \$18,802,254, increase \$1,180,953. Of this sum over half are in bonds, \$1,083,324 in federal, \$6,556,023 other government, \$953,246 Canadian, \$1,345,130 public utilities. It has \$1,064,653 in farm mortgages, \$761,983 in city mortgages. Its real estate owned aside from home office property amounts to \$996,861. Its policy loans are \$3,498,462. It puts up \$925,000 for contingency reserve and its free surplus is \$1,326,575, gain \$9,000. The excess of income was \$1,040,333. The new business was \$21,678,960 and the insurance in force is \$126,409,212. It paid to policyholders \$1,952,626 last year.

AMERICAN CITIZENS LIFE

At the annual meeting of the American Citizens Life of Columbus, W. H. Fledderjohann, president and superintendent of agents, presented the annual report showing ordinary insurance in force \$1,513,682, gain \$300,000; indus-

FIGURES FROM DECEMBER 31, 1936 STATEMENTS

	Total Assets	Change In Assets	Surplus to Policyholders	New Bus.	Ins. In Force Dec. 31, 1936	Change In Ins. In Force	Prem. Income 1936	Total Income 1936	Benefits Paid 1936	Total Disburs. 1936
Bankers, Life, In....	203,609,100	+10,123,052	9,061,784	63,479,256	730,965,732	+7,799,289	25,679,194	39,216,096	19,836,009	28,792,647
Business Men's Assur. 13,938,731		+1,681,483	1,347,098	19,708,786	104,973,517	+3,529,947	2,849,158	5,586,656	1,015,870	3,972,158
Connecticut General..	208,417,564	+13,504,708	9,064,282	165,201,622	1,056,559,897	+49,906,635	33,537,787	50,640,254	20,099,654	32,334,793
George Washington ..	4,716,423	+62,717	480,255	2,809,127	18,891,552	+101,875	522,628	826,319	489,680	750,132
Great Amer., Kan....	1,867,658	+73,273	240,138	2,655,897	9,635,679	+289,914	271,631	398,129	145,272	348,507
Imperial Life, N. C.	2,231,699	+246,549	400,000	7,210,490	24,307,064	+5,005,125	949,739	1,071,682	264,607	937,052
Indianapolis Life, Ind.	18,649,487	+1,446,832	1,228,580	13,433,844	100,767,129	+5,010,871	3,041,356	4,327,811	1,415,082	2,776,627
Jefferson Stand. Life, N. C.	67,632,246	+5,426,147	4,200,000	50,102,700	347,720,262	+17,882,638	10,602,361	15,367,587	6,310,155	10,123,460
Lincoln Liberty, Nebr.	6,244,162	+664,294	310,332	5,855,000	26,298,000	+1,140,000	1,210,122	1,554,369	325,518	819,757
Lincoln Natl. Life....	130,757,669	+9,248,995	7,082,274	129,938,416	901,013,233	+21,613,438	21,114,296	35,909,806	12,746,015	25,935,085
Midland Mut. Life....	25,498,429	+1,687,179	1,462,646	11,910,488	106,528,294	+3,169,677	3,797,595	5,573,053	2,294,375	3,818,288
Monarch Life, Mass...	4,179,213	+550,314	1,005,049	3,248,158	18,522,343	+1,422,553	560,139	3,255,094	149,198	2,717,791
North Am. Life, Ont.	54,845,907	+3,989,684	5,824,416	35,169,802	211,194,004	+11,136,306	7,978,205	11,210,773	4,967,180	7,586,141
Northern Life Wash..	16,025,002	+1,100,325	616,233	15,912,710	95,240,305	+3,624,637	3,094,311	4,326,852	1,799,178	3,244,812
Pathfinder Life, Nebr.	1,122,052	-72,911	100,230	405,096	3,608,395	-481,359	177,177	234,090	222,701	308,063
Peoples Life, Ind. ...	8,610,102	+452,237	879,319	9,154,063	47,779,789	+2,822,621	1,245,863	1,782,970	671,006	1,316,489
Phoenix Mut. Life....	209,882,551	+14,489,695	7,731,593	53,760,554	610,499,294	+20,635,154	25,892,147	43,735,250	19,008,887	30,848,555
Rockford Life, Ill. ...	2,901,015	+30,463	278,560	1,615,274	14,137,365	-600,322	343,390	516,770	252,756	418,523
Secur. Mu. Life, Nebr.	6,018,592	+351,617	359,590	4,973,767	28,596,147	+840,135	806,989	1,135,927	443,325	815,911
Vir. Life & Cas.....	920,822	+120,616	145,569	6,966,822	11,042,476	+1,024,076	399,166	436,412	135,594	362,831
Wisconsin Life	4,866,810	+358,508	234,143	2,248,750	23,168,840	+803,514	687,046	1,059,034	395,301	699,895
Wisconsin Natl. Life	8,008,497	+511,747	1,276,396	4,694,957	37,179,967	+1,110,787	961,122	1,339,859	438,436	839,404

*Excluding reserve for security fluctuations and other contingencies \$2,500,000.
*Life department only.

*Includes contingency reserve of \$1,082,274.

*Includes \$2,488,710 accident and health premiums.

*Includes \$2,290,093 accident and health premiums.

*Unassigned.

*Does not include annuities.

*Casualty department included.

(CONTINUED ON PAGE 13)

Stresses \$100,000 As Minimum Mark

Provident Mutual Sees Widest Attainment of This as Main Problem

GENERAL AGENTS CONFER

W. K. Wise, New Agency Vice-president, Tells of Plans for 1937 Activities

NEW YORK, Feb. 4.—Production activities of the Provident Mutual Life for 1937 will be built around the idea of getting as many agents as possible to produce at least \$100,000 a year, according to plans outlined at the general agents' conference here by Willard K. Wise, who recently became agency vice-president after a very successful career as general agent in eastern Pennsylvania. How this objective will be reached has not definitely been worked out in all details, Mr. Wise said, and it largely will be left up to the various general agents to work out methods for putting this central idea into concrete form.

One feature of the plan is to have each general agent furnish the home office with a list of agents whom he expects to write at least \$100,000 per year. Efforts will be made to get agents to qualify as early as possible for the \$100,000 quota. Some have already qualified in the first month of the year. It is believed that the example of men who have attained this qualification will serve as an inspiration and stimulus to men who have not already done so.

Seek Wider Attainment of Goal

While \$100,000 is admittedly a modest minimum requirement, the number of agents in the life insurance business generally who have attained even this level has fallen off in the last few years.

In selecting this figure, the Provident has selected it not as a criterion of excellence, but as a minimum standard of annual production below which no one who is in the life insurance business on a career basis should fall. For this reason, it was felt desirable to concentrate activities on getting as many men as possible over the \$100,000 hurdle to assure marginal agents the wherewithal to live while developing themselves into bigger producers and also holding the \$100,000 mark up as a line to be crossed as early in the year as possible to those agents who need no urging to exceed that figure in the course of a year. It is planned to have some sort of recognition for those qualifying by July 1.

Formal addresses were delivered only on the opening and closing days, the remainder of the sessions being taken up with round table discussions on recruiting, training and increasing production from present personnel.

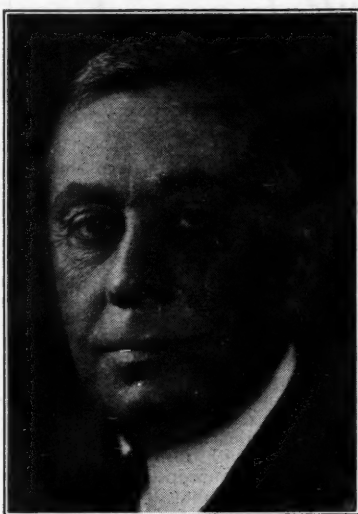
Flood Holds Up Some

Addresses at the general sessions were made by G. N. Quigley, president General Agents Association; M. A. Linton, company president; F. C. Morss, manager of agencies; M. L. Williams, assistant manager of agencies; and Vice-presidents F. P. Todd, E. W. Marshall, and W. K. Wise. D. A. Hampton, assistant manager of agencies, pinch-hit for Henry Bossert, Jr., manager agency research department, by reading the latter's paper on "Profitable Selection of Agents." Mr. Bossert was not able to attend because of gripe.

Several general agents were not in

(CONTINUED ON PAGE 13)

Founding Father



E. J. WOHLGEMUTH, Cincinnati

E. J. Wohlgenuth of Cincinnati, president of THE NATIONAL UNDERWRITER, issued the first publication of the "Ohio Underwriter," which later became the "Western Underwriter" and then THE NATIONAL UNDERWRITER, Feb. 4, 1897. Therefore, this week Mr. Wohlgenuth celebrates the fortieth anniversary of the establishment of his publication. He had been connected with the "Insurance Herald" at Louisville, working under the late editor, Young E. Allison. Prior to that he had started as a boy with the old "Indicator" of Detroit. Mr. Wohlgenuth landed at Cincinnati with \$64 in his pocket and with great ambitions and high hopes he established his paper. He had a stenographer and a part-time bookkeeper in a small room.

Take Precautions Against Epidemics in Flood Areas

SITUATION IN CINCINNATI

No Serious Sickness Has Developed Yet but Authorities Are Preparing for the Worst.

CINCINNATI, Feb. 4.—While city officials are not overly alarmed in the flooded area surrounding Cincinnati about health conditions, nevertheless an unusual situation presents itself due to the water having been cut off from so many homes and withdrawn from the mains, sanitation conditions and flood waters in thousands of homes and buildings.

With so much oil and gasoline in the flood water which has flowed into various areas of Cincinnati, including a large portion of the lower class residential sections, a danger of disease is presented if occupants of their homes return too soon and attempt to clean up their homes without taking the necessary precautions.

At present there are no known typhoid cases in the city itself. City

(CONTINUED ON LAST PAGE)

He opened an office at 415 Vine street, which was the Aetna Fire building. Today THE NATIONAL UNDERWRITER now has on its regular weekly payroll 134 people. It has its main offices in Cincinnati and Chicago, and important branches in San Francisco and New York. It has field headquarters at Hartford, Philadelphia, Detroit, Des Moines, Dallas, Atlanta and Toronto, Ont., with a resident manager in charge of a definite region in each case. Mr. Wohlgenuth therefore has seen his organization grow up from a small beginning to a very sizable enterprise.

Hunt Lauds Role of Wise Taxation

Public's Attitude, Outgrowth of Past, Needs Fundamental Revision, He Says

IS CONVENTION SPEAKER

Constant Demands for Reduction May Prove Costly in Crippling Needed Services, He Warns

The taxpayer probably gets far more value for his dollar of taxes than he does for his dollar when paid toward goods or services to many forms of private business, Commissioner Hunt of Pennsylvania declared at the Atlantic City convention of the Girard Life. This greater value for the tax dollar applies even now, despite the slow development of efficiency in government that has characterized democracy, Mr. Hunt said.

"Public attitude toward taxation often is a reflection of the experience of past centuries, when the people were heavily taxed to support a king's army of retainers, his stables or his women friends," he continued. "Taxes were then regarded as a burden from which the people could not escape but for which they usually got little or nothing in return. In a democracy we need to educate ourselves to an entirely new attitude."

Curbing May Be Destructive

"We have a right to ask that the sums we pay in taxation shall not be wasted, but the insistence that public expenditures are always to be cut down is likely to be destructive of our own best interests. Public expenditure can so promote the public welfare as not only to lead to increased incomes for the people generally, but to enable them to enjoy happier and better living through the use of their own incomes. We ought not to regard taxation as an evil, but as a part of our common life out of which much good may come."

Though large taxpayers are loudest in their complaint because they have access to the means of making themselves heard, they have the least ground for complaint, Mr. Hunt declared, pointing out that a man who gets an income of a million dollars a year pays big taxes to preserve a society that makes it possible for him to get a big income. The scientific adjustment of the tax burden can to some degree regulate distribution so as to stabilize our system, he said.

Services Are Indispensable

"When collected, the funds for the most part go for services that could not possibly be done without," he said. "Many of them, as a matter of fact, ought to be greatly expanded. The bulk of all money taken from taxes is spent on past and future wars, schools and highways. War is certainly an unhappy business, but the big taxpayer should be the last of all who would want at this stage of civilization to be left unprotected by an army or navy. We could not live at our present standards without a general public education. We ought to have far more of it. We ought to have far more and better highways."

"What taxpayer would want to save a few dollars by doing away with the protection for his health and that of his family provided by public needs? If the cost of crime is terrific, it is because we spend too little of public funds on better housing and education, as well as on more direct crime prevention. When clamor arises about taxation, the

(CONTINUED ON PAGE 13)

The CLU Symbol

The designation "CLU" is owned by a yearly increasing number of underwriters. Its bestowal, of course, is by the American College of Life Underwriters,—which last month attained its tenth anniversary.

If selling a \$2,000 or \$3,000, or \$5,000 policy were all the opportunity that the life underwriter vocation afforded, there would be little need of any CLU or profit in the designation. Life insurance, however, is a service that is varied and complex.

The course of the American College includes economics, finance, corporation and partnership law, conservation of estates, and many other things which are prominent in the higher-bracket picture of a life underwriter's work.

The ambitious young man should properly look forward, we think, to acquiring the status of a professional, obtainable by directed study and coincident practice, or by earning the CLU symbol awarded by the American College of Life Underwriters, which was established by the National Association of Life Underwriters.

THE PENN MUTUAL LIFE INSURANCE CO.

WM. H. KINGSLEY, President

Independence Square

PHILADELPHIA

Part the Life Policy Has in Conserving an Estate

R. F. Spindell, Chicago attorney, who has specialized in taxation and inheritance matters and is a lecturer at Northwestern University, addressed a large gathering of members of the Chicago chapter, C. L. U., including a turnout from the Chicago Association of Life Underwriters. He discussed "The Importance of Federal Taxation in Developing Life Insurance Sales."

Mr. Spindell pointed out the importance of drawing up a life policy, particularly those involving large sums, to enable the beneficiary to save on taxes due federal and state governments, and also to prevent the assured's creditors from seizing the proceeds of the policy, which often may be the only ready cash available after the policyholder's death, even though his estate may be very large. He spoke of the necessity of life coverage to pay inheritance taxes and to act "as a transfusion" of life blood into the estate until it could resume normal operations after the assured's death.

Surrender All Ownership

He stressed particularly the federal and state laws relating to benefits from life insurance for tax exemption purposes. He warned life men to bear in mind that unless the assured surrenders all of his legal incidents of ownership of the policy irrevocably, the federal and state laws will construe that he still has an interest in his contract, thus making it part of his estate and subject to taxation, with the usual exemptions. Life insurance advisers should be very sure that they have checked all legal angles on any proposed assignment, surrender of ownership, beneficiary change or other points before they allow the assured to go ahead.

He illustrated examples of the need of a life policy to keep the estate intact, with several cases. He pointed out several facts the life man should bear in mind in handling large policies. He said the federal estate tax allows an exemption of \$40,000 where life policy proceeds are payable to a beneficiary other than the assured's estate and where the assured has retained any of the legal incidents of ownership, which includes the right to change the beneficiary. The Illinois inheritance tax exempts all proceeds in such a case.

Mr. Spindell said the following legal incidents should be surrendered by the assured in order to make the proceeds exempt from the federal estate tax: Right to change the beneficiary, right to borrow on the policy, right to cancel, right to assign and right to exercise any option. Thus the assured even though alive, has no economic interest in the contract. However, if even one legal incident is retained the policy comes under the federal tax law.

Insert Catch-all Clause

He said it is important to insert a catch-all clause, "and all other legal incidents of ownership" in the provision surrendering the assured's rights. He also warned against the tendency among life men to use the apparently easier method of an assignment instead of surrendering legal incidents of ownership.

He said under the usual form of assignment the assignee possesses all the rights of the assured, but like any other asset it can be reached by the assignee's creditors, and thus the security intended for the assured's heirs may be jeopardized. However, if the assured wants to make sure the premiums are paid, he can, after waiving or surrendering all legal incidents of ownership, add the provision "except the right to have the dividends applied against the premium." This is not an incident that would make the proceeds taxable since it merely lessens assured's liability and is not a property right. A gift tax, however, ap-

plies to the cash surrender value. It was shown that an insurance adviser should be very sure of the law affecting his client before he approves any re-writing of the policy with the gift idea in mind.

In discussing life insurance as relating to income taxes, he pointed out that proceeds received from a policy are not subject to the tax but a taxpayer cannot deduct premiums paid in preparing his income tax return. A corporation in its tax return can deduct as a business expense premiums paid on the lives of its officers or employees where the corporation is neither directly nor indirectly the beneficiary. However, the amount of the premium in such a case is taxable income of the officer as additional compensation.

Gives Case Histories

After outlining these and other rules relating to life insurance and taxation Mr. Spindell illustrated their practical use in several cases. He warned that the need of life insurance to cover taxation and probate costs of an estate is a good argument only where the estate is fairly large.

He pointed out that on a \$200,000 estate, combined federal and Illinois state inheritance taxes would total about \$25,000, or one-eighth, while on a \$300,000 estate the tax is \$50,000 and the tax proportionally rises faster. He pointed out that the worth of a man's business for estate tax purposes is frequently much more than it actually has value, because of the loss of its head, particularly when it is a business that depends very largely on the ability of one man. The value of residence real estate for estate tax purposes is also frequently more than its actual sales value. The same applies to "cats and dogs"—frozen securities which can bring a better price if they are kept for several months or years. This leaves as the only liquid asset, cash and good securities, which frequently do not total very much since a wealthy man's money may be tied up in other activities. The value of the business for sale purposes of course has dropped with the death of its owner.

Liabilities have increased, because of
(CONTINUED ON LAST PAGE)

Union Central "Refugees" Keep Wheels Going

COLUMBUS, O., Feb. 4.—The Union Central Life has established temporary headquarters in Columbus, for the duration of the flood disaster period. Dispossessed by a raging river, their home office buildings placed at the disposal of the disaster division of the Red Cross, an emergency crew of 50 men and women, picked by President W. Howard Cox, is operating at the Deshler-Wallick hotel here. They are writing a colorful page in the story of life insurance, conducting the essential business of the company for the benefit of policyholders, beneficiaries and agents. Instead of celebrating their company's seventieth anniversary with formal ceremony on Jan. 30, these workers honored the founders of the company on that day by issuing nearly \$1,500,000 of new business.

This emergency crew, which is operating under direction of Vice-president Jerome Clark, is handling not only new business, but paying death claims and annuity installments. In cases of emergency even policy loans are being disbursed.

Two Staffs Function

Two Union Central staffs are carrying on business in the face of the most trying physical conditions in the organization's experience. A mere handful of employees is operating at the home office under the supervision of President Cox who has personally been on the job for almost 24 hours a day. The group maintains liaison between the company's files and the refugee home office here in command of Mr. Clark.

The decision to move was reached at 5 o'clock on the afternoon of Jan. 26. Telephone calls to pick up employees of the departments that were to be temporarily moved upstate notified them of the plan. A truck was loaded with necessary supplies. James H. McCullough, manager of the Columbus agency, was asked over long distance telephone to make hotel arrangements. During the night a complete temporary office set-up was being effected while the emergency crew was driving through a cold night to report for duty.

(CONTINUED ON LAST PAGE)

Commissioner Is Just Average Man

Smith of Utah Outlines Supervisory Official's Work in San Francisco Talk

ATTITUDE HAS CHANGED

No Longer Takes Position That Company Is Always Wrong—Discusses Education, Legislation

SAN FRANCISCO, Feb. 4.—Commissioner E. A. Smith, Jr., of Utah painted a composite picture of the insurance commissioner of today in an address at the annual meeting of the Fire Underwriters Association of the Pacific on "Some Duties of the Insurance Commissioner."

The insurance commissioner is, he said, the average man, generally appointed because of political preference or because he is recognized as a man of ability, who takes the job with the idea of doing his best towards rendering impartial service in the most efficient manner of which he is capable. He thinks about the same thoughts, eats the same food, and likes the same things as other people. He is up against a very important job and deep down in his heart he knows that he needs help. Therefore, he wants the confidence, the support and needs the unselfish, constructive suggestions of the men in the business.

Change in Attitude Told

He traced the change in the attitude of commissioners since the day when they were considered as champions of the public, whether right or wrong and committed to defend it against the company.

"I take it that it is the duty of the insurance commissioner to supervise, encourage and protect the company," he said. "After the company has complied fully with the laws of the state and the regulations of the insurance department, that company is entitled to every support from public officials." No longer, he said, does the commissioner take the position that the company is always wrong. "Experience has taught him otherwise."

He decried the tendency on the part of some companies to use insurance departments as adjustment bureaus. In extreme cases the department can lend its offices in an advisory capacity, but ordinary controversial matters should not take the time of the department, he said.

Education of Public

He stressed the necessity for education of the public as "one of the most important obligations that should be recognized by every company." "Some people," he said, "seem to think that an insurance company is a combination of charitable institution, gambling device and community chest. The public should know that insurance today is an institution of public trust, an impartial guardian against economic loss and an instrument of public security. In the interests of mutual understanding every effort should be made towards policy clarity. The insurance policy should not be a document of mystery. A simplified policy, up-to-date to meet modern conditions and clarified as to wording and arrangement, would be most desirable."

A campaign of education, he said, would not only do away with many misunderstandings on the part of the

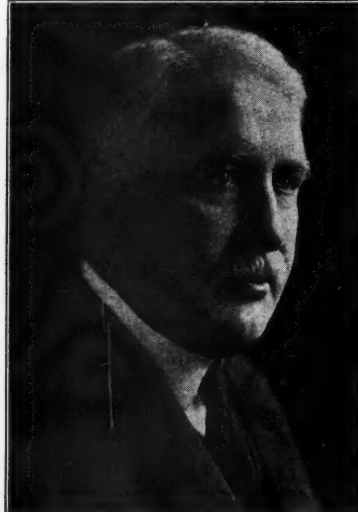
(CONTINUED ON PAGE 12)

New President, Board Chairman



E. S. BRIGHAM

E. S. Brigham, former vice-president, has now been elected president of the National Life of Vermont. He succeeds



FRED A. HOWLAND

Fred A. Howland, who becomes chairman of the board, quitting the presidency after a term of 21 years.

PRESENTING THE LINCOLN NATIONAL LIFE INSURANCE COMPANY'S

32nd ANNUAL REPORT

Financial Condition as of Dec. 31, 1936, Condensed from the Report Filed with the Indiana Insurance Department

RESOURCES

Cash in Bank and Office	\$2,585,505.20
Balances are carried in 50 banks throughout the country.	
Bonds and Stocks	37,924,899.17
The Company holds \$11,310,688 in U. S. and Canadian Government bonds; \$4,299,286 of state, provincial, county, and municipal bonds; \$7,494,051 in railroad bonds; \$9,708,659 in public utility bonds; \$793,920 in miscellaneous bonds; \$4,090,472 in preferred stocks of railroads, public utilities, and basic industries; and other, \$225,823. The market value of such securities is in excess of book value.	
First Mortgage Loans	29,197,712.75
\$25,263,829.92 on city properties and \$3,933,882.83 on farm properties, the total being appraised at \$31,858,000. Where buildings are part of the appraisal, fire and other forms of insurance are carried and assigned to this Company. The greater part of these loans have been paid down substantially from the initial loan.	
Loans to Policyowners	22,423,552.81
No loan exceeds the cash value of the policy.	
Trusted Assets	12,036,252.32
These assets are being administered by Trustees for benefit of policyowners of certain reinsured companies.	
Balance Due on Properties Sold Under Contract	2,371,026.06
Real Estate	15,876,388.46
Interest Due and Accrued	1,268,070.63
On investments, bank deposits, etc.	
Net Premiums in Course of Collection	3,747,863.09
These premiums were due but not received at the Home Office on December 31. A reserve of corresponding amount is included in our liabilities.	
Home Office Property	2,287,857.06
All Other Resources	1,038,541.50
Net Admitted Resources	\$130,757,669.05

LIABILITIES

Policy Reserves	\$117,849,452.30
This is the amount which with interest and future premiums will pay all policy claims as they mature. Under the insurance laws the securities in which this money is invested are kept on deposit with various States.	
Additional Policyowners' Funds	1,250,731.71
Amounts set aside for, or already apportioned to policies in addition to the reserve.	
Premiums and Interest	1,661,283.55
Many policyowners take the precaution to pay their premiums in advance to avoid possibility of overlooking them at the due rate. Considerable interest on loans is also paid in advance.	
Special Reserves—	
For Claims not yet Completed or Reported	\$1,128,111.00
For Taxes Payable in 1937	1,001,895.00
For Commissions, Medical Fees and Other Bills not yet Presented	609,720.00
For Losses on Real Estate Sales Made but not yet Completed	174,201.00
Total Special Reserves	2,913,927.00
Total Liabilities to Others Than Stockholders	123,675,394.56
Capital Stock	\$2,500,000.00
Unassigned Surplus	3,500,000.00
Special Surplus for Contingencies	1,082,274.49
Surplus to Protect Policyowners	7,082,274.49
To Balance Resources	\$130,757,669.05

POINTS OF INTEREST

Insurance in force at the close of 1936, \$901,013,000. A gain during the year of \$21,613,000.

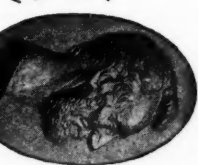
Assets increased \$9,249,000 during the year to a total of \$130,757,000.

During 1936, paid policyowners and beneficiaries \$14,901,000. Paid since organization, \$137,187,000.

Income during the year, \$35,909,000. Excess of income over disbursements, \$9,975,000.

Surplus to policyowners now stands at \$7,082,274—an increase during the year of \$306,000.

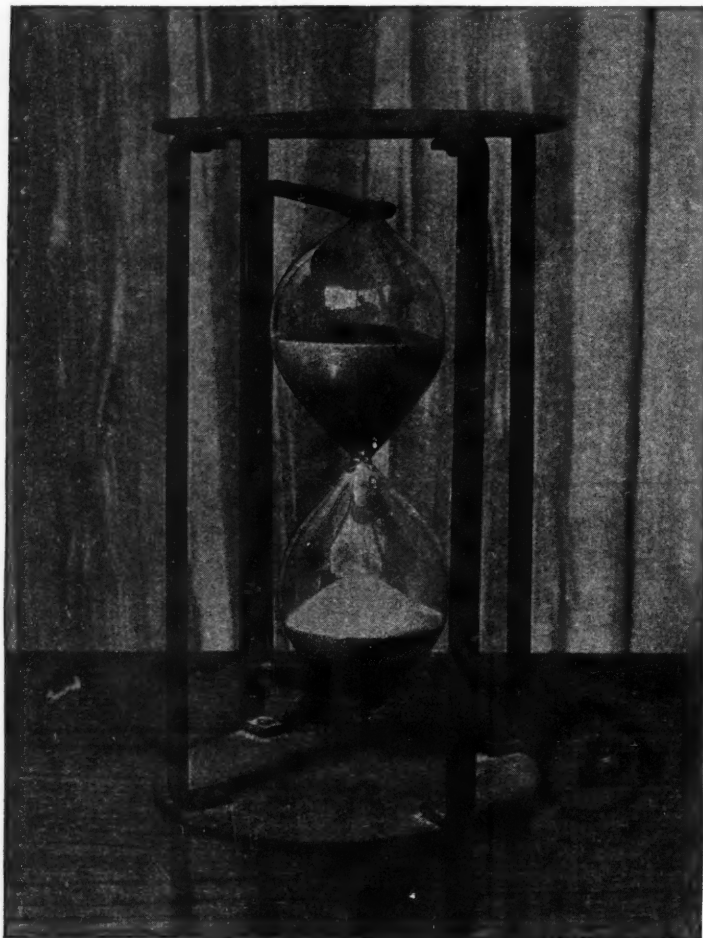
The Lincoln National Life now operates in 36 states, the District of Columbia, the Panama Canal Zone, Hawaii, and the Philippine Islands.



THE LINCOLN NATIONAL LIFE INSURANCE COMPANY

FORT WAYNE, INDIANA
ITS NAME INDICATES ITS CHARACTER

TIME STAYS— WE GO!



"Time goes, you say? Ah no!
Alas, Time stays, we go."

Austin Dobson: The Paradox of Time

Life Insurance was created as
a shield against the shocks
encountered by humanity in
its march through Time.

PROVIDENT MUTUAL
LIFE INSURANCE COMPANY OF PHILADELPHIA
Pennsylvania • Founded 1865

New Commissioner Has Been Named in Vermont

MONTPELIER, VT., Feb. 4—D. A. Hemenway, special agent in Vermont for the Maryland Casualty, with headquarters in the Smith, Jackson & Howard agency of Burlington, has been appointed insurance commissioner of Vermont. He has been confirmed by the senate. Mr. Hemenway is 30 years old, a native of Sheldon Springs, Vt., and a graduate of the University of Vermont in 1928. He was a classmate of the present deputy commissioner, A. D. Pingree. Mr. Hemenway was formerly in the agency of Hickok & Boardman in Burlington. G. B. Carpenter, the present commissioner, was appointed in August, 1935, to succeed L. D. Meredith, who resigned to join the executive staff of the National Life of Vermont. He had served twice previously as commissioner between 1919 and 1923.

PERSONALS

A. R. Hustad, manager life, accident and group department of the Travelers in Minneapolis and president Minneapolis Life Underwriters Association, is visiting the home office in Hartford. He stopped in Chicago to confer with E. B. Dudley, Chicago manager. Mr. Hustad reported there is an increasing interest in life insurance in his territory, which can be traced to the federal social security act.

John N. Adams, Portland general for the Aetna Life, announces J. E. Berg as assistant general agent.

A. W. Dolan, 76, assistant superintendent of the Metropolitan Life at Syracuse, died following fatal injuries suffered in a fall at his home. Born in Fond du Lac, Wis., in 1861, he went to Syracuse in 1900. He was interested in life insurance his entire lifetime.

A. A. Drew, Chicago general agent Mutual Benefit Life, with Mrs. Drew is spending the winter at San Diego.

George L. Dyer, St. Louis general agent Columbian National Life, has resigned as secretary of the St. Louis board of election commissioners.

Demand Is Made That Funds Be Paid in Canadian Money

Canadian companies operating in the United States frequently have requests from policyholders that a stipulation be made in the policy that the proceeds be paid in Canadian currency. This is due to the fact that people may look forward to inflation in the United States or some currency depreciation. Where a Canadian company is not licensed in a state it will grant this request. The Manufacturers Life will make an agreement to pay in Canadian currency where this is demanded in any state.

C. E. Gauss Is Feted

The Michigan insurance companies sponsored a testimonial banquet for C. E. Gauss, former commissioner of that state, who was just recently reappointed to office. The toastmaster was Frank H. Ellsworth, president of the Michigan Surety and a former commissioner. Senator George Weadock of Saginaw, himself an agent and former department examiner, said he would do everything in his power as senate insurance chairman to provide the department with more funds. His sentiments were echoed by two other senate committee members, one of whom, John C. Wickstrom, Norway, is an agent, and by the chairman of the house committee, Representative Mullen of Wallace, and by several of its members.

Among the guests present were the

"Insurance Field" Now Publishing from Chicago

John E. Puckette, president and editor of the "Insurance Field" of Louisville, arrived by airplane in Chicago Monday afternoon. The building in which the "Insurance Field" office was located and where it is printed is out of commission due to the flood, but Mr. Puckette's residence 5½ miles out was not visited by water, although it came to within three blocks. In fact he was marooned on an island. He was drafted into service as a traffic policeman, guiding trucks and boats along the waterways. Inasmuch as the "Insurance Field" people were not able to get to the office there was no means of communicating with one another. The Chicago office under the leadership of Robert Cron, associate editor, got Ben P. Brannham, vice-president of the "Insurance Field," to authorize the printing of the combined fire and life edition last week in the plant of the Printing Products Company, which is the publication office of THE NATIONAL UNDERWRITER. THE NATIONAL UNDERWRITER extended all possible courtesies so that the "Insurance Field" could get out the edition. Its plant at Louisville will be out of commission this week and next week. Editor Puckette, therefore, is in Chicago to get out another edition this week and will also supervise next week's issue. The difficulty at Louisville is in securing power and light. No word was received from Mr. Puckette until Monday, when his traffic duties having subsided he was able to communicate with his associates. He had no electric light at his home, but his furnace was in working order. On his last day at his office Mr. Puckette parked his car far enough from the water as he thought to be safe. The river rose so rapidly that his machine was caught.

department's first and second deputies, H. B. Corell and R. M. Morse. The former served in that capacity during Mr. Gauss' earlier regime as well as under three other commissioners, and Mr. Morse was head of the licensing division.

AVAILABLE

in
Six story fire-proof building, 1920 square feet. Attractive rates. Particularly adapted for insurance purposes. Excellent transportation. Situated 16 minutes from Loop.

Belmont-Sheffield Bank Bldg.

1005 Belmont Ave.

H. C. W. LAUBENHEIMER
Belmont-Sheffield Realty Trust
Call Graceland 3717

TWO FIELD SUPERVISORS WANTED

For Southern Illinois and Indiana, men who can appoint and train producing agents, under liberal contract. Salary \$40.00 weekly, expenses and commission. Permanent position and speedy increase to the man who produces results. Strong company writing non par and Health and Accident. Give full particulars first letter.

ADDRESS F-22, NATIONAL UNDERWRITER

HOMELIFE

Insurance Company, 256 Broadway, New York, N.Y.

Ethelbert Ide Low
Chairman of the Board

James A. Fulton
President

77th Annual Statement

December 31st, 1936

ASSETS

Cash	\$ 1,224,826.11
Bonds: U. S. Government	6,342,882.00
Other	25,883,010.00
Preferred Stocks	1,998,610.00
Mortgage Loans on Real Estate	28,450,754.43
Real Estate: Home Office Bldg.	1,400,000.00
Acquired under Foreclosure ..	5,809,800.00
Loans on Policies	17,500,115.80
Premiums, etc., in Course of Collection	2,005,718.61
Interest Due and Accrued	602,573.97
Total	\$91,218,290.92

LIABILITIES

Policy Reserves and Funds	\$82,586,085.38
Policy Dividends and Interest thereon held on Deposit	2,000,504.00
Miscellaneous Liabilities	612,513.01
Reserve held for Federal and State Taxes, Payable in 1937	200,000.00
Dividends due Policyholders in Reduction of Premiums	88,533.84
Funds set aside from 1936 earnings to pay Policy Dividends in 1937	1,670,000.00
Reserve for Investment Fluctuations and Contingencies	400,000.00
Unassigned Surplus	3,660,654.69
Total	\$91,218,290.92

TEN-YEAR COMPARISON

Insurance in Force Dec. 31, 1936	\$362,775,881.00
Insurance in Force Dec. 31, 1926	301,744,243.00
An increase of 20.2%	
Total Income, Dec. 31, 1936	\$ 17,596,692.22
Total Income, Dec. 31, 1926	12,500,128.89
An increase of 40.8%	

Assets, Dec. 31, 1936	\$ 91,218,290.92
Assets, Dec. 31, 1926	57,756,218.34
An increase of 57.9%	
Unassigned Surplus, Dec. 31, 1936	\$ 3,660,654.69
Unassigned Surplus, Dec. 31, 1926	2,490,870.04
An increase of 47.0%	

FACTS ABOUT THE STATEMENT

INTEREST RATE INCREASES

The net interest rate on investments increased in 1936. After all investment expenses were deducted from investment income the rate was 4.20% as compared with 4.11% in 1935.

INCREASE IN INSURANCE IN FORCE

The increase during 1936 was four times the increase during the preceding year.

SOUND BOND PORTFOLIO

91.9% of all bonds are rated AAA, AA or A by one or more of the Bond Rating Services accepted by the N. Y. Insurance Department. Bonds in default represent less than 4/10 of 1% of the total assets.

1936 DIVIDEND SCHEDULE CONTINUED

Current earnings of the Company permit the continuance of the 1936 dividend schedule for 1937.

ASSETS AT NEW HIGH

The assets of the Company are the highest in its 77-year history, with an increase of 5.3% during 1936.

REAL ESTATE ACQUIRED UNDER FORECLOSURE

No overdue or unpaid mortgage interest is capitalized on foreclosure. All costs of rehabilitation were paid out of income.

MUTUAL TRUST

LIFE INSURANCE COMPANY



AS FAITHFUL AS OLD FAITHFUL

32ND ANNUAL STATEMENT

December 31, 1936

ASSETS

Cash in office and in banks	\$ 708,208.79
Bonds:	
U. S. Government	6,338,082.13
State, County and Municipal	4,531,370.53
Public Utility	4,841,500.54
Railroad	1,533,204.28
Industrial	727,801.88
First Mortgage Loans:	
City	4,584,597.12
Farm	1,729,564.58
Other Assets:	
Policy Loans and Premium Notes	6,454,437.10
Real Estate	5,026,277.00
Due and Deferred Premiums (Net)	777,751.51
Interest Due and Accrued	436,322.20
Miscellaneous	52,459.04
TOTAL	\$37,741,576.70

LIABILITIES

Legal Reserves to protect policy contracts	\$31,364,745.00
Proceeds left under optional settlements	752,000.56
Policyholders dividends on deposit	1,506,963.05
Premiums and interest paid in advance	262,583.93
Death Claims due and unpaid	NONE
Claims reported but proofs of loss not received	175,559.81
Reserve for taxes and expenses payable in 1937	190,160.20
Additional Reserves:	
For future dividends	\$ 720,850.00
Special Contingencies Reserve	1,300,000.00
Unassigned Surplus	1,468,714.15
Gross Surplus Reserves	3,489,564.15
TOTAL	\$37,741,576.70

INSURANCE IN FORCE: \$160,135,799.00

DURING 1936

Insurance in force increased (3.69%)	\$ 5,691,879.00
Assets Increased (7.67%)	2,687,788.00
Gross Surplus increased (7.49%)	243,057.00
Paid policyholders and beneficiaries in 1936	2,886,215.00
Payments to policyholders since organization	43,194,459.00

MUTUAL TRUST LIFE is a purely mutual net level premium 3% reserve company and one of the twenty-four such companies out of three hundred operating in the United States.

NOTHING BETTER IN LIFE INSURANCE

Influenza Epidemic Makes Showing in High Losses

NUMBER OF CLAIMS TRIPLED

Underwriters Fear Further Increases Due to Pneumonia's Attack—Floods Also Counted as Factor

The influenza epidemic which has been sweeping the country in recent weeks is at last beginning to make itself evident in health claims. According to health underwriters, the average period of disability has been about four or five days, which has made the two-week waiting period more important than ever before. Without this clause health losses during January would have been enormous.

As it is sufficient number of victims have been ill for long enough periods to file claims under their health policies despite the waiting period. This number has been so great that in quite a few cases companies report that claims filed are just about three times those a year ago. This does not mean losses are three times as large but merely the number of claims is that much greater. Most are small and it is doubtful whether the increase in losses for January will be very great.

Still Fear Losses

However, the epidemic is still raging and underwriters are unable to gauge just how badly they will be hit. At this time, the fear is that many of these cases will turn into pneumonia.

Companies also are looking for quite a number of claims resulting from floods. Lack of communication, together with lack of sufficient time, makes it impossible to know to what extent floods will add to the health loss. Threat of epidemics, together with the acknowledged large number of pneumonia cases, makes companies feel they are certain of actually receiving a considerable number of claims from flood victims.

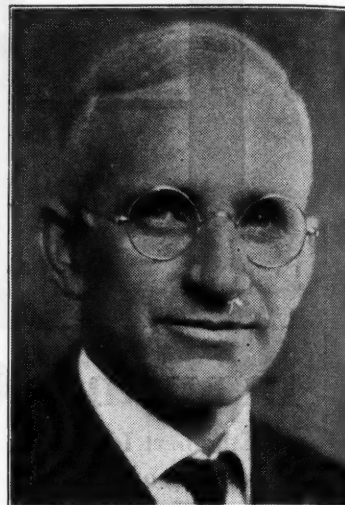
Ask Quiz in New York

A third resolution calling for a joint legislative investigation of life insurance companies has been introduced in the New York legislature by Senator Quinn.

Assemblyman FitzGerald has introduced a bill setting the maximum interest rate that may be charged on policy loans at 4½ percent.

C. H. Momm, 36, leader in the Fred M. McMillan agency of the Penn Mutual Life, Los Angeles, died at Long Beach after a brief illness. He led the agency in 1936, his first year as a full-time agent.

Pittsburgh Leader, Active in Associations, Is Dead



LEE D. HEMINGWAY

Lee D. Hemingway, 59, for many years general agent in Pittsburgh of the Connecticut Mutual, died of a heart attack.

He was a graduate of Washington & Jefferson College and had been president of the Pittsburgh Life Underwriters Association, member of the Million Dollar Round Table, secretary of the National Association of Life Underwriters and president of the Pennsylvania State association.

Mead on Coast Trip

R. C. Mead, actuary of the State Farm companies of Bloomington, Ill., has been on a trip to the Pacific Coast, visiting Seattle, San Francisco, Berkeley and Los Angeles. He conducted meetings at each agency he visited.

Dreisbach Guest Speaker

George C. Dreisbach, outstanding agent at Rockford, Ill., will be the guest speaker at the noon-day meeting of Heifetz agency representatives, Mutual Life of New York, Feb. 8 in Chicago. Mr. Dreisbach operates under a budget program and attributes his success to his adherence to self-discipline. He will outline his budget plan to Heifetz representatives. He represents the Home Life at Rockford, is a scoutmaster and is active in Rotary, American Legion and Masonic circles.

THE WEEK IN INSURANCE

E. S. Brigham elected president of National Life of Vermont, succeeding Fred A. Howland, who becomes chairman of the board. **Page 1**

United States Supreme Court upholds right of companies to take advantage of available remedies, including quick cancellation, if fraud is suspected. **Page 1**

Provident Mutual bases year's plans on getting greatest possible number of agents to produce at least \$100,000. **Page 3**

D. A. Hemenway, special agent of the Maryland Casualty, is appointed insurance commissioner of Vermont. **Page 6**

Although no serious sickness has developed in the flood areas, the authorities are taking every precaution against epidemics and are preparing for the worst. **Page 3**

"Clinic" of Home Office Life Underwriters Association is influence in keeping selection standard in line. **Page 10**

Commissioner Smith of Utah discusses insurance commissioner's work in San Francisco address. **Page 4**

Union Central Life, flooded out, carries on from temporary quarters in Columbus, O. **Page 4**

Taxpayer gets bigger value from tax dollar than from same amount paid to many private businesses, Commissioner Hunt of Pennsylvania declares. **Page 3**

George N. Ayres of Des Moines, president of the Central Life of Iowa, died suddenly last week. **Page 10**

Governor Stark of Missouri turns down Superintendent O'Malley on his recommendation for appointment of counsel. **Page 11**

Influenza epidemic is making itself shown in increasing number of health claims; flood also to be factor. **Page 8**

United States bureau of internal revenue rules fraternal societies and their employees come under the social security act; question of their agents is still unsettled. **Page 25**

S. F. Muter of the Metropolitan Life at Kitchener, Ont., becomes president of the Canada Life Underwriters Association. **Page 22**

42ND ANNUAL STATEMENT

as of December 31st, 1936, of the

KANSAS CITY LIFE INSURANCE COMPANY

1895 KANSAS CITY, MISSOURI 1937

RESOURCES

Cash in Banks.....	\$ 1,074,066.60
Bonds—	
Federal Government.....	28,621,749.29
State, County, Municipal and School.....	10,272,691.80
Railroad, Public Utility and Others.....	383,083.09
First Mortgage Real Estate Loans—	
On Farm Property.....	11,581,742.49
On City Property.....	8,587,373.57
Real Estate Owned—	
Home Office Building.....	1,427,421.83
Other Property.....	12,264,787.99
Under Contract of Sale.....	413,200.80
Collateral Loans.....	101,375.96
Accrued Interest on Investments.....	1,792,270.19
Loans on Policies.....	21,311,666.69
(Secured by Legal Reserve)	
Net Premiums Deferred and in Course of Collection.....	2,698,855.34
(Secured by Legal Reserve on Policies)	
Total Net Admitted Assets.....	\$100,530,285.64

LIABILITIES

Legal Reserve.....	\$ 89,377,797.74
(Present value of every policy obligation)	
Claims Due and Unpaid.....	NONE
Incompleted Policy Claims.....	584,476.82
(Claims incurred on which proofs have not been filed or completed)	
Interest and Premiums Paid in Advance.....	719,824.54
Set Aside for Taxes Payable in 1937.....	300,000.00
Other Accrued Expenses.....	69,252.01
Surplus Assigned to Participating Policies.....	\$ 930,960.23
Surplus Assigned for Depreciation of Assets.....	750,000.00
Surplus Unassigned.....	6,797,974.30
Paid-Up Capital.....	1,000,000.00
Total Surplus for Protection of Policyholders.....	9,478,934.53
Total.....	\$100,530,285.64
Total Payments to Policyholders in 1936.....	\$ 8,165,117.96
Insurance in Force.....	435,701,967.00

NO REDUCTION IN DIVIDEND SCHEDULE

There will be no reduction or change of any kind in Dividends payable on Participating Policies in 1937. The same basis of dividends adopted in 1931 and effective continuously since that time will be continued in 1937.

J. B. Reynolds,
President

J. F. Barr, Vice-Pres.
and Supt. of Agencies

C. N. Sears,
Secretary

Selection Clinic's Razzing Restrains Rash Underwriting

ERRORS COME HOME TO ROOST

Like Low Interest, Adds to Improbability of Substantial Risk-Standard Liberalization

NEW YORK, Feb. 4.—Possibilities that any company step out and substantially liberalize its underwriting standards, though unlikely enough because of the need of offsetting low interest earnings, is rendered still more remote by the influence of the underwriting clinic which the Home Office Life Underwriters Association holds twice a year in connection with its meetings. At this session actual cases, with names altered, are discussed and entire frankness prevails.

Instead of an underwriter's mistakes in judgment being quietly interred along with the applicant who became an early claim, everything is dragged out into the open and mistakes are attacked with ghoulish glee by those who turned the case down, while underwriters who accepted it, perhaps against their own better judgment, have to face the music.

Regardless of what some agents think, no selection department likes to turn down a case, particularly when it is taken by one or more other companies, so the music which has to be faced has a very sour sound to the underwriter who took more of a chance than his fellows consider justified. The prospect of having to face the criticism, even though it is in the form of good natured joshing, is not something to be contemplated with relish, and tends to act as a distinctly chilling influence on the idea of loosening up underwriting requirements without having a sound and provable basis for it.

Differences in underwriting procedure

are to a certain extent desirable, for if all companies had exactly the same standards there would be little chance for the experimentation which leads the way to new discoveries in underwriting. However, it is not against this sort of thing that the Home Office Underwriters clinic serves to throw its weight, but rather against the exceeding of a company's regular standards of selection without any substantial arguments to support the exceptional stand taken.

While there is some difference in the liberality of companies, underwriters are inclined to think the difference is not so wide as agents believe.

Gentry Condemns Manner of His Ousting from Post

U. A. Gentry, retiring Arkansas insurance commissioner, issued a statement last week telling about his being ousted from office before the expiration of his term by the passage of an act which abolished the office and substituted another to have the same powers and perform the same functions. He says, "This action was not based on my incompetence nor because I failed to discharge the duties of the office efficiently but was introduced upon the demand of the governor because I did not support him in the last Democratic campaign. My own personal fortunes are unimportant to the public but the governor is setting a dangerous precedent by having people legislated out of office, not because they are incompetent, not because they failed to discharge their duties but solely on the ground that they did not support the governor and refused to become his pliant political tool."

Reaches Hundred Million Mark

The Reliance Life reached the \$100,000,000 mark in assets early in January. As of Dec. 31, 1936, the figure was \$99,994,545. As of Dec. 31, 1935, the figure was \$91,871,761.

President G. N. Ayres of Central Life of Iowa Dead

FORMERLY IN OKLAHOMA CITY

Joined the Des Moines Company First in a Minor Capacity—Elected Head in 1932

George N. Ayres, president Central Life of Iowa, died at Phoenix, Ariz., from a heart attack which followed an illness of about a year. Mr. Ayres was in California at the time of the annual meeting Jan. 20 when he was reelected president. He had left California only a few days before his death, with his wife, to join friends at Phoenix for an extended trip in the south and west, and had arrived at Phoenix the day before.

He was 59 years old. Before joining the company Oct. 1, 1916, he had completed seven years of service with Union Central Life as state loan agent at Oklahoma City.

Started in a Minor Way

On joining the Central Life, Mr. Ayres held first a minor position. Two years later he was named a director, and was made vice-president in 1919, a post which he held until 1929, when he became both vice-president and treasurer. He was elected president in 1932. During his association he saw assets rise from \$5,000,000 to \$50,000,000.

In 1933, the Central Life became the reinsurer of the Illinois Life, which boosted the assets \$11,396,164 to \$53,639,493.

Mr. Ayres was a director of the Iowa-Des Moines National Bank & Trust Co. of Des Moines.

Funeral services were held Wednesday afternoon in Des Moines. During

the illness of Mr. Ayres, Fred P. Carr, vice-president and counsel, had been directing the company's affairs.

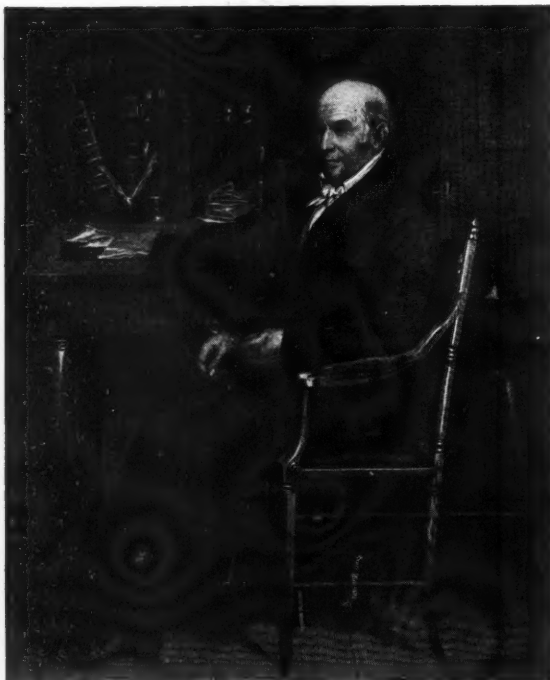
The Life Presidents Association was represented at the funeral of President Ayres by President H. S. Nollen, Equitable of Iowa, and President G. S. Nollen, Bankers Life of Iowa.

Gilbert & Sullivan's Attack on Sound Life Insurance

Gilbert & Sullivan, consisting of David Gilbert, author of "Life Insurance a Legalized Racket," and James P. Sullivan, formerly of Chicago, in addition to getting out the "Life Insurance Reporter's Analyst," giving reports on companies, have gotten out an 80-page pamphlet entitled "Fraud, Misrepresentations, Confiscations, Mysteries in Life Insurance." The publisher is the Marlowe Publishing Company of Philadelphia, which states that the book tells why the purchase and retention of cash value policies must result in eventual and inevitable loss for buyers and their beneficiaries. The two authors present five chapters, the first being entitled, "The anti-twisting conspiracy; a fraud perpetuating movement." The second is entitled, "The confiscating of \$735,000,000 from the poverty stricken during the depression." The third is, "The dilemma of the decreasing life insurance." The fourth is, "The dilemma of the increasing cash value question," and the last, "Your life insurance facing a period of rising prices."

Is Chicago Vice-president

E. M. Schwemm, agency manager Great-West Life, has been named vice-president Chicago C. L. U. chapter. He succeeds Talmadge Smith, Meyer agency New England Mutual, who was transferred to Portland, Ore. Paul Cook, Mutual Benefit Life, succeeds Mr. Schwemm on the board.



Girard at His Desk

Stephen Girard

PHILOSOPHER

To a friend Stephen Girard once wrote, "I do not value fortune. The love of labor is my sheet anchor." His capacity for work was infinite and his belief in the value of labor was the keynote of his philosophy. "To rest," he held, "is to rust." A month before his death he said, "When Death comes for me, he will find me busy, unless I am asleep." Yet this stern rule of life was tempered by one of the most charitable loves of humanity the world has ever known. Never did Stephen Girard selfishly consider his own advancement. He worked for the joy he took in well-directed and profitable activity, and for the great and philanthropic good his industry could make possible. "My deeds must be my life," he said. "When I am dead my actions must speak for me."

GIRARD LIFE

INSURANCE COMPANY OF PHILADELPHIA

Opposite Independence Hall

This advertisement is tenth of a series

O'Malley Turned Down on Counsel for Department

ST. LOUIS, Feb. 4.—At a conference in Jefferson City Governor Stark informed Superintendent O'Malley he did not desire to approve the appointment of F. P. Aschemeyer of St. Louis as counsel for the department. He gave no reasons for refusing to accept the recommendation of Mr. O'Malley. The governor was also quoted as saying that he had informed Mr. O'Malley that he did not care to discuss at this time the subject of his own reappointment to the insurance department nor to go into Mr. O'Malley's legislative program for the present.

The superintendent has been considering presenting an insurance code bill or a series of bills much along the lines of his code measure that met defeat in the general assembly two years ago. Told of the governor's statement concerning the question of his reappointment, Superintendent O'Malley told reporters that apparently Governor Stark had misunderstood some remark he had made as touching on the question of his retention as superintendent but that he had never made any suggestion concerning his reappointment to the governor. J. F. Allebach, deputy superintendent, is now acting counsel for the department.

MAY NOT APPOINT O'MALLEY

The St. Louis "Star-Times" published a dispatch from its Jefferson City correspondent in which he stated that Governor Stark had definitely decided not to reappoint Superintendent O'Malley. The story said that the governor had assured fraternal and other companies that they would be given fair treatment but he took the position that Mr. O'Malley's action on the fraternal made him prejudiced. His term expires June 30. In some quarters the opinion has been expressed that Mr. O'Malley may decline reappointment.

John Hancock Mutual's General Agents' Meetings

The first regional meeting of general agents of the John Hancock Mutual Life will be held in Boston this week. Harry Gardiner, New York general agent and president of the General Agents' Association, will preside. It will be attended by general agents in the eastern half of the country. A second meeting, which will be largely attended by western agents, is scheduled for March 13-14 at St. Louis.

J. Harry Wood, agency comptroller, will discuss training, recruiting and supervision of agents. Specific phases will be taken up by General Agents W. B. Ackerman of Cincinnati and A. C. Adams of Connecticut, who will give their ideas on training; Paul F. Clark of Boston and Walter Powell of Atlanta, who will outline methods of recruiting and R. W. Hoyer of Columbus, Ohio, who will talk on supervision.

Carter Is Boston Manager

W. J. Carter has been made agency manager of the Equitable Life of New York in Boston, succeeding C. E. Townsend, veteran of 42 years service, who was advised by his physician to retire from active business. A dinner and dance this week marked Mr. Carter's installation as manager. He had for some time been assistant to Mr. Townsend. He is a graduate of Grinnell College, class of 1914, and joined Mr. Townsend's organization 16 years ago.

Gale F. Johnston, St. Louis, manager of the group insurance department of the Metropolitan Life, discussed "Social Security and Your Life Insurance Policy" at a luncheon of the Mid-Town Business Club.

THE GUARDIAN LIFE INSURANCE COMPANY OF AMERICA

NEW YORK CITY

A MUTUAL COMPANY
ESTABLISHED 1860



GUARDIAN OF AMERICAN
FAMILIES FOR 77 YEARS

Commissioner Is Just Average Man

(CONTINUED FROM PAGE 4)

public, but at the same time would prove a decided stimulant to company business. "Such a campaign, intelligently conducted, would in my opinion prove of tremendous advertising value."

It is the duty of the commissioner, he said, to encourage, advise and protect the public, urging that the insurance departments be used more by the public to the end that there may be a better understanding of insurance coverage, also a better insight into whether or not the company with which they contemplate dealing is a reliable, authorized company.

Further, he said, it is the duty of the commissioner to supervise, protect and encourage the agent. He made a plea for better qualification of agents.

"We are definitely on the threshold of a new era of selling," he said. "The day of the butcher and the baker and the candlestick maker in the insurance business is rapidly passing. The day of the qualified agent is here. All of us should bend our every effort towards the elimination of the unfit from this great business of ours. Misrepresentation, trickery, half-truths and destructive hints about other companies should no longer be tolerated."

Attitude on Legislation

"In this most important phase of the business, the agent should play an important part. He should not associate himself with any company that is careless in its selection of representatives. Let the agent be known by the company he keeps and let the company keep only the agent who offers its coverage and writes its business soundly and correctly. Companies could solve this problem immediately if they would but exercise care in their selection of agents."

He expressed himself strongly in favor of agency qualification laws.

He described adjusters as "another source of joy or sorrow to the insurance department."

"Like the agent, he is a man who makes direct contact with the public and the public largely forms its opinion of insurance because of the manner in which he functions. An intelligent, tactful, impartial and competent adjuster is a pearl of great price."

Concerning legislation he said: "It is the duty of the commissioner to make such recommendations as he feels are for the benefit of all concerned in the business. In the matter of insurance law there should be as little regulation of the business as possible. It is my opinion that the laws of any state should not be so written as to interfere with the functions of honest private business. But unfortunately there are companies, masquerading under the name of insurance, which seek unfair advantage. To protect the unsuspecting public against the practices of such companies, regulatory laws must be enacted. After all, most of the laws that we now have on our statute books have been put there to correct conditions that experience has shown to be faulty. This should give us the key to future legislation. It is possible so to conduct ourselves that adverse legislation can gain no headway."

Volume Not Main Consideration

In conclusion Commissioner Smith warned about the desire for business, pointing out that it should not override the principle of safety. "Too often," he said, "the success of a company is measured by volume of production. Production is not only desirable but necessary for continued success, but I wonder if the desire for more and more business on the books has not taken us far afield. Success should be measured by the volume of good business written and by that I mean business written that has a good rate of persistency and a satisfactory loss ratio. The day of a more complete and better understanding between the company, the agent, the public and the insurance department is here."

Many Changes Made in the Travelers Chicago Offices

E. B. Dudley, Chicago life manager of the Travelers, announced several changes in the organization, the shifts began in January, when Assistant Manager Franklin Toops was promoted to be branch manager at Columbus, O.

Assistant Manager B. H. Groves has been transferred from supervision of agency room training and instruction to succeed Mr. Toops, with additional important duties. Assistant Manager E. A. Walker is promoted from supervision of agents in "Live Wire Row" to the brokerage department in charge for Cook county.

C. F. Lundquist, supervisor Oak Park branch, is promoted to assistant manager, and transferred to the Insurance Exchange branch. He will have charge of all new agents, their training, and the periodic Chicago training schools for life, accident and group. A. H. Holmberg, formerly in the agency room of the Insurance Exchange branch, is promoted to assistant manager and transferred to the Oak Park branch.

Field Assistant A. R. Ehresmann of the Des Moines branch was promoted to assistant manager effective Feb. 15, transferred to the Insurance Exchange branch, Chicago, to supervise "Live Wire Row." Two newcomers in the supervisory family of the Insurance Exchange branch are Field Assistants T. H. Knorr and D. S. Wheaton. Both will participate in conducting affairs of the agency room.

E. H. Winkel continues as assistant manager of the Uptown branch. C. E. Lindstrom continues as assistant manager of the South Side branch. D. M. Kantz, field assistant, will remain in the Insurance Exchange branch agency room, assisting Mr. Lundquist in supervision.

Cecil Lindley, Jr., now with the home office staff of the John Hancock Mutual but formerly for 10 years with the "Eastern Underwriter," and Miss Margaret W. Keating of Scranton, Pa., were married in Yonkers, N. Y.

Great Southern Life Insurance Co.

Houston, Texas

DECEMBER 31, 1936

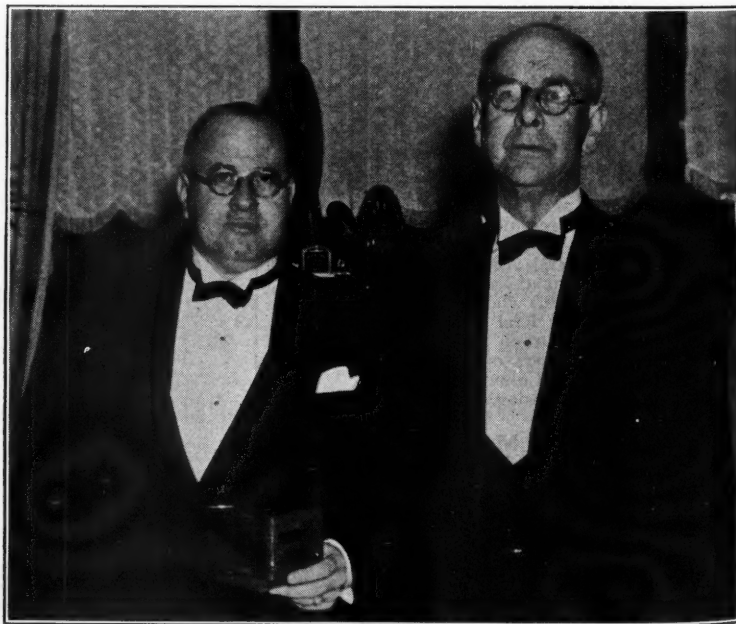
APPROVED ASSETS	\$ 45,000,000
LEGAL RESERVE for Protection of Policyholders	39,500,000
EXCESS OR SURPLUS PROTECTION for Policyholders (Capital and Surplus) ..	4,000,000
NEW INSURANCE Paid for During 1936	34,000,000
TOTAL INSURANCE IN FORCE	233,000,000
QUICK ASSETS:	
Cash in Banks, Subject to Check	\$2,001,193
State, County and Municipal Bonds	1,839,789
U. S. Government Bonds ..	1,349,032
TOTAL QUICK ASSETS	\$ 5,190,014

In all phases of the Company's operations for the year 1936 substantial gains were made. The Company starts the New Year with great promise of still further gains, with attractive agency contracts, made direct with the Home Office, and a number of very attractive new policies in addition to its already extensive line of policy contracts covering every life insurance need, including business, taxation and family protection.



E. P. Greenwood, President

Thirty Years of Service



At the Atlantic Life acers' annual convention at Hollywood, Fla., President A. O. Swink (left) is shown receiving from W. H. Harrison, vice-president and superintendent of agencies, a gold watch in commemoration of 30 years' service, completed in 1936. Mr. Swink joined the home office staff in 1906 and shortly became interested in agency operations. In 1909 he became head of the field force in Virginia. During that time he was an outstanding personal producer. In 1929 he was called to the presidency of the company and has done a remarkable piece of work.

Stresses \$100,000 As Minimum Mark

(CONTINUED FROM PAGE 3)

attendance because of flooded condition of their home areas, and advertisements were sent to newspapers in a number of cities extending the grace period for payment of premiums in the regions devastated by the flood.

L. F. Paret, general agent in Philadelphia, who was convalescing from an attack of illness, received an ovation when it was announced that the program was to be dedicated to him. This month he begins his 46th year of Provident service and his 28th year as a general agent.

New Officers

The following officers were elected: S. E. Webster, Pittsburgh, president; J. S. Scott, Rochester, vice-president; W. S. Brokaw, Providence, secretary-treasurer; and A. M. Baker, Philadelphia, auditor. J. H. Cowles of Los Angeles was elected a member of the executive committee. Mr. Webster is also president of the Pittsburgh Life Underwriters Association.

Year-End Figures Indicate Substantial Progress Made

(CONTINUED FROM PAGE 2)

trial, \$83,540, total \$1,597,222. The premium income was \$34,547 and total income \$44,487. The disbursements were \$31,904. Its assets are \$179,538, of which \$104,000 are government bonds. Its capital is \$100,000. It has added to its board H. S. Sprow of Tiffin, O.; H. C. Schick, Cambridge, O.; C. C. Wachtel, Columbus, and Dr. H. J. Gudenkauf, a clergyman.

OLD LINE LIFE

New paid life insurance of the Old Line Life of America showed an increase of 30 percent in 1936, exclusive of annuities. New life premiums gained 45 percent. Insurance in force increased to \$75,183,998, a gain of more than \$2,500,000. Accident and health income totaled \$167,908, a gain of 16 percent. Admitted assets amount to \$19,482,551, an \$815,686 increase. Bonds, which form 23 percent of the assets, amount to \$4,578,110 at amortized values. Market values are considerably higher. Bond items are: United States government, \$1,380,468; states, counties and municipalities, \$1,679,594; Canadian provinces and cities, \$585,355; public utilities, \$604,418; railroad equipment and underlying, \$328,272.

Policy reserves increased to \$17,021,050. In addition to this reserve, the sum of \$2,075,505 is set aside as an extra margin of safety to policyholders.

Payments to life policyholders and beneficiaries in 1936 were \$1,552,463, with accident and health payments of \$70,645. The total paid since organization amounts to \$17,688,108. The ratio of assets to liabilities is 1.12.

OHIO STATE LIFE

The Ohio State Life shows insurance \$87,926,821, gain \$3,943,391, assets \$17,384,520, increase \$1,129,361. The income was \$3,815,796, exceeding disbursements by \$1,104,574. Its bonds constitute 27.45 percent of the assets. Mortgage loans represent 38.12 percent. Real estate showed net earnings of 2.97 percent. Its capital is \$500,000 and the surplus \$1,000,000.

ACACIA MUTUAL LIFE

President Montgomery of the Acacia Mutual gave final figures in the annual statement at the directors' meeting last week. The insurance in force is \$364,821,283. The assets are \$66,305,871, income \$15,001,665. Excess of income amounted to \$5,963,327. It paid policyholders \$5,350,937. Its net new increase was 35 percent, its lapsed old business showed a reduction of 24 percent, lapsed

new business reduction 35 percent, increase of business in force \$12,729,234. The Acacia sold 8.6 percent more life insurance last year than the year before.

GUARDIAN LIFE

The annual statement of the Guardian Life shows a gain of \$6,606,014 in assets, bringing the total to \$115,737,356. Total income amounted to \$25,137,528, exceeding disbursements by \$7,220,191. An increase of 13.3 percent was recorded in new business, the total being \$49,985,960. The average policy sold increased 8.6 percent in 1936 and preference for the higher premium forms of policies resulted in an increase of 7.5 percent in the average premium per \$1,000 of insurance. The insurance in force showed a net gain of \$9,582,240, making the figure \$464,931,514. Dividends to policyholders set aside for 1937 were \$2,310,000, up 4.3 percent over the preceding year. In addition to a general surplus amounting to \$5,346,368, the company has voluntarily set aside special reserves totaling \$670,925, making an aggregate of \$6,017,293.

Hunt Lauds Role of Wise Taxation

(CONTINUED FROM PAGE 3)

result often is that necessary services are reduced and eventually the taxpayer is likely to spend more than \$10 for the dollar that he saved in taxation."

The four business sessions of the convention were well programmed to include the talk on present methods and plans for future development. Leading general agents and personal producers gave practical pointers on prospecting, developing sales through contacts, getting new business from old, and selling on the salary continuance plan, the latter being illustrated by demonstrations of methods actually used.

New rates and new policies soon to be put into effect by the Girard Life were announced by W. L. Crawford, actuary. H. M. Horne, accountant and assistant actuary, and Dr. W. H. Carpenter, medical director, discussed company conditions and requirements from the home office point of view.

Awards for 1936 Made

Those lauded for their 1936 records included the Easton, Pa., agency of which J. A. Cromarty is general agent, which was awarded the president's cup for highest percentage of production to quota; A. Stanley Hyde, Philadelphia, largest personal producer; L. F. Kerry, Philadelphia, greatest volume of production and largest number of applications closed for the final quarter; J. R. Reagan, Camden, N. J., and L. H. Baxter, Cleveland, consistent and meritorious agency production monthly throughout the year.

Beside Commissioner Hunt, speakers at the convention dinner included President Albert Short, I. J. Williams, Jr., director; Dr. P. J. Steinmetz; Robert Dearden, Jr., of the United States Review and J. C. Harvey, oldest general agent of the company. G. A. Adsit, manager of agencies, was toastmaster.

Plan Eastern Round Table

The annual Eastern Round Table of the Life Advertisers Association, for members only, is planned Feb. 24 at the Hotel Pennsylvania in New York City. Stewart Anderson, Penn Mutual, will be chairman.

Topics that touch work of company advertising men will be discussed, among them being: "Lessons from 1936 Life Insurance Week," "Planning Ahead for 1937 Life Insurance Week," "National Magazine Advertising," "Cooperation Contacts between Field and Agency Department," "Keeping a House Organ Read," "Selling Planned Sales Promotion to the Field," "Merchandising Through Advertising," "Special Campaigns," "Direct Mail," "Social Security," and others.

GUARANTEE MUTUAL ORGANIZED 1901 LIFE COMPANY OMAHA, NEBR.

THIRTY-FIFTH

Annual Statement

JANUARY 1, 1937

Assets

	Per Cent of Total Assets	
Cash	5.29%	\$ 995,468.83
Bonds:		
U. S. Government..	5.76%	\$1,083,324.06
State, County and Municipal	34.87%	6,556,023.26
Canadian—Dom., Prov. and Mun....	5.07%	953,246.28
Public Utilities	7.15%	1,345,129.64
Total	52.85%	9,937,723.24
First Mortgage Loans:		
Farm Properties ..		\$1,064,653.39
City and Other Properties	9.72%	1,826,636.83
Stocks	1.24%	232,875.00
Home Office Property.....	1.68%	316,372.27
Real Estate Owned.....	5.30%	996,861.07
Policy Loans	18.61%	3,498,461.80
Interest Accrued83%	155,623.37
Premiums in Course of Collection	4.25%	798,725.97
Other Admitted Assets.....	.23%	43,505.69
Total Admitted Assets,...	100.00%	\$18,802,254.07

Reserves and Liabilities

Legal Reserve	\$14,925,695.00
Reserve for Income Policies.....	459,028.00
Reserve for Claims Awaiting Proofs.....	114,405.00
Reserve for Taxes, Etc.	86,292.00
Dividends Payable to Policyholders.....	333,972.75
Advance Premiums and Trust Funds.....	631,286.89
Total	\$16,550,679.64
Contingency Reserve	925,000.00
Surplus Unassigned	1,326,574.43
Total	\$18,802,254.07

Results—Year 1936

Payments to Policyholders and Beneficiaries during 1936.....	\$ 1,952,626.40
Total Payments to Policyholders and Beneficiaries since Organization (35 years) ..	29,796,193.95
Insurance Issued and Restored during 1936	21,678,960.00
Insurance in Force, January 1, 1937.....	126,409,212.00

For Agency Opportunities Write to
A. B. Olson, Manager of Agencies

EDITORIAL COMMENT

Life Begins at Forty

Life begins at forty for those who have something to live for and in and by. For the empty, it is a void. For the stupid, it is a stupidity. For the weak, it is a conscious death. But for the vigorous and the vivid, it is the end of an overture and the beginning of still greater music.

The foregoing quotation comes from that well known book by WALTER B. PITKIN, "Life Begins at Forty." It is a volume that people read with profit to themselves. They probably in many instances were attracted to it by its unique title. Author Pitkin epitomized the outlook or attitude of a man or institution as one crosses the 40-mile line.

Forty years acts as a great testing period. If an institution survives during that length of time, and has in it the elements of continuous strength and growth, we would be inclined to call it permanent.

It is well to pause at important anniversaries, take an inventory of what has been done, see just what our policy is, what our relationships are with our fellows, what our outlook on life is, what we intend to do in the future and what hopes we have.

This week, to be exact, on Thursday, marks the 40th anniversary of the establishment of THE NATIONAL UNDERWRITER and its predecessor, in name the "Ohio Underwriter" of Cincinnati. We have before us this first issue, consisting of 16 pages covering all branches of business. The following advertisements appear: CINCINNATI INSURANCE COMPANY, SECURITY TRUST & LIFE of Philadelphia, GUARANTORS LIABILITY INDEMNITY of Philadelphia, MUTUAL LIFE of New York, INTERSTATE CASUALTY of New York, OHIO FARMERS, PHOENIX MUTUAL LIFE. Only three remain.

A feature article in the first edition referred to the Ohio insurance department, W. S. MATTHEWS being superintendent; Capt. JOHN P. SLEMMONS, chief deputy; O. W. CARPENTER, chief examiner; W. J. BEGGS, stenographer and correspondence clerk. In fact, most of the edition is given to Ohio insurance affairs.

In that first edition the present managing editor started a department "As Seen from Chicago," he then being insurance editor of a Chicago daily.

A few weeks previous to this date in 1897, E. J. WOHLGEMUTH arrived in Cincinnati with a sum of less than \$100 in his pockets. He was a young man who had been trained under the estimable YOUNG E. ALLISON, who was then editor of the old "Insurance Herald" of Louisville. Mr. ALLISON had a decided influence on young WOHLGEMUTH, who was

fired with ambition, enthusiasm, determination and exalted hopes. Mr. ALLISON was an idealist, one deeply grained with rich sentiment and Mr. WOHLGEMUTH basking in that atmosphere became an idealist himself, yet of a different type than his preceptor. Mr. WOHLGEMUTH had stronger business instincts and was more commercially inclined than Mr. ALLISON. He had gotten out a Michigan insurance directory while he was with the "Indicator" of Detroit and that was one of the first publications of its kind. Immediately he arranged to get out the Ohio insurance directory.

Mr. WOHLGEMUTH rented a small office at 415 Vine street, Cincinnati, a building owned by the AETNA FIRE which had its western department in that structure. It was then necessary to economize in every way. By some hook or crook he got credit from a local printer to get out the initial issue. His great boosters in the early days were the fire insurance field men of Ohio, some of the Cincinnati local agents and a few life insurance general agents.

During 40 years, Mr. WOHLGEMUTH as head of the publishing company has accomplished something worth while. His first edition was 16 pages, a semi-monthly, as already stated. This week THE NATIONAL UNDERWRITER issues in its regular course two weekly papers, one devoted to fire and casualty insurance, and the other to life insurance, one consisting of 52 pages and cover and the other 28 pages and cover. That is an indication not only of the growth of the paper but of the insurance business itself. Later on the "Ohio Underwriter" became the "Western Underwriter." That showed that the geographical area which the paper served was extending. Then in due season followed THE NATIONAL UNDERWRITER and the paper became countrywide in its activities. In addition, The National Underwriter Company itself publishes five monthly publications.

Mr. WOHLGEMUTH has been able to contribute to the publication side of insurance some very definite achievements which have had a far reaching effect. In our opinion, he, more than anyone else, deserves the credit for leading the movement to eliminate "support" from insurance publications. He took the position that no paper deserved to be "supported" because it was an insurance publication. Mr. WOHLGEMUTH was very decided in his stand that a publication should stand on its own merits and achievements. It deserved nothing from companies or the fraternity at large if it could not make its own way and be of service. Mr. WOHLGE-

MUTH was determined so far as his own publication was concerned to pursue a strictly business-like course. He realized that a paper must have ample circulation to justify its existence. Therefore, he gained for the "Ohio Underwriter" circulation sufficient to give it a good ballast. He combed Ohio for subscribers. Then the young publisher tackled West Virginia and next Michigan. Ever since those early days, circulation has been one of the prime factors in the scheme of THE NATIONAL UNDERWRITER.

As time went on and Mr. WOHLGEMUTH expanded his organization he realized that in order to maintain circulation of a trade paper that was lasting it would be necessary to get readers who were really interested in the business and wanted to keep abreast of the times. Forced circulation would only be temporary. He saw that after a state had been quite well canvassed it would not be financially profitable to keep sending subscription solicitors over the field solely for the one purpose year after year. This gave Mr. WOHLGEMUTH the stimulus to build an insurance publishing house not merely devoted to the publication of a weekly paper. He, therefore inaugurated an expansion of the state insurance directory system, publishing of books, bulletins, supplies, services of various kinds and adopted the slogan, "Everything for the Insurance Man." It was seen that a field man traveling for a publishing company could well afford to make repeated trips because he had numerous insurance features to offer. Thus was combined advertising, circulation, state insurance directory work, the sale of supplies, bulletins, services, books, etc. It was really this plan that has enabled The National Underwriter Company to build a substantial organization with 15 men constantly on the road, giving full time service and in addition there are seven or eight office people that are sent out from time to time. This has given The National Underwriter Company a diversified line with which to work. It has enabled it to send a salesman into a town with the result that his visit there is profitable.

Another factor in Mr. WOHLGEMUTH's scheme of organization has proved highly efficacious. He saw that at the time he undertook the establishment of the old "Ohio Underwriter" almost every insurance magazine was dominated by one personality who to all practical purposes constituted that publication. There were insurance papers prominent at that time which have faded out or their light has almost flickered out because the genius that presided over it monopolized the stage and is now no longer at the wheel. When that personality departed, the publication eventually collapsed. Therefore, Mr. WOHLGEMUTH has been interested in tying key men to The National Underwriter Co. through participation in the business itself whereby they became partners in the enterprise. When he found a

lieutenant who was doing his work in a very creditable way Mr. WOHLGEMUTH immediately sought to continue his interest. He endeavored to leave the impression at all times that while he was the head of the organization the men working with him deserve full credit for their accomplishments and he did not endeavor at any time to assume approbation for what they did. Naturally no business house can hold every good man that starts with it. From THE NATIONAL UNDERWRITER school have graduated some very excellent men who are holding high positions elsewhere. However, Mr. WOHLGEMUTH has been exceedingly successful in developing in all departments of the publishing company's work specialists, men of ability, probity and high aim. He has attracted young men of promise and keen mind.

Another strong feature in Mr. WOHLGEMUTH's business program has been placing of entire responsibility on men associated with him. He has sought at all times to keep THE NATIONAL UNDERWRITER organization from being a one-man proposition. To do this he has not hesitated to throw heavy responsibility on men who have the capacity of assuming it. This has resulted in them growing in stature, in becoming independent in judgment and self reliant. Mr. WOHLGEMUTH has endeavored to so round out the various activities of his work that the organization constitutes its real strength and not any individual. He has tried to make every man feel his own importance in the organization and to enthrone him with the idea that it is entirely up to him and no one else to chart his course. As an indication of his sound business policy in the effort to build independent judgment and action it is most interesting to know that Mr. WOHLGEMUTH has never issued a command to the editorial department. That is, he has never ordered any article published or not published.

Throughout his entire career Mr. WOHLGEMUTH has evinced the highest sense of personal, mental and spiritual probity. There are few men that have such an exalted conception of right and wrong, justice and injustice. He has no room for the fourflusher, exploiter, the man who does not appreciate the trusteeship of his position. This is particularly seen in his attitude toward life insurance management as he does not hesitate to denounce those who use their positions for their own gain and have not appreciated as they should their trusteeship responsibility.

Many years ago Mr. WOHLGEMUTH inaugurated in his publishing company a plan for employee participation in profits, if there be such, and this has been extended to everyone in its ranks. He feels that the workers, however humble they are, contribute to the success of the business and therefore it is only fair that they should share in the profits.

These observations are not made merely

THE NATIONAL UNDERWRITER

LIFE INSURANCE EDITION
PUBLISHED EVERY FRIDAY

Published by THE NATIONAL UNDERWRITER CO., Chicago, Cincinnati, New York. PUBLICATION OFFICE, 175 W. Jackson Blvd., CHICAGO. Wabash 2704

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DES MOINES OFFICE — 325 Insurance Ex-
change, Tel. 44417. R. J. Chapman, Res. Mgr.

DALLAS OFFICE — 1218 Kirby Bldg., Tel.
2-4491. Fred B. Humphrey, Res. Mgr.

ATLANTA, GA., OFFICE — Trust Company of
Georgia Bldg., Tel. Walnut 5567. W. M.
Christensen, Res. Mgr.

CANADIAN BRANCH — Toronto, Ont., 34 King
St. East. Tel. Waverly 2354-5. Ralph E.
Richman, Vice-Pres., W. H. Cannon, Manager.

Subscription Price \$3.00 a year in United States and Canada. Single Copies, 15 cents. In Combination with The National Underwriter
Fire and Casualty, \$5.50 a year. Entered as Second-class Matter June 9, 1900, at Post Office at Chicago, Ill., Under
Act, March 3, 1879.

to glorify a publication. When any enterprise, starting in a most humble way, in 40 years, grows to one of importance, there is some reason for it. Looking at The National Underwriter Co. abstractedly, it furnishes a study of a creative and resourceful business genius, who keeping in later years much in the background has been chiefly interested in building an institution to be perpetuated for the benefit of those who have contributed to its well being. Mr. WOHLGEMUTH today is deeply concerned with plans that will enable his associates to continue the work he started,

with credit and success when he closes the book.

Combining these various aspects Mr. WOHLGEMUTH has succeeded in infusing in the organization a spirit of cooperation and determination that on its 40th anniversary finds all associated with the enterprise knit closely together, realizing that each one has his part to play. It seems reasonable to predict that THE NATIONAL UNDERWRITER during the next 40 years will be able to render a far greater service than it has in the last four decades in the publishing business.

PERSONAL SIDE OF BUSINESS

President **Harry L. Seay** of the Southland Life of Dallas is still confined to his room. He has had quite a siege. The doctors found out through a cystoscope that he had stones in the bladder. They took out 230, ranging in size from No. 8 birdshot to buckshot. These constituted only about one-third of the number that developed. It became necessary then to operate for the balance.

In the stream of broadcast instructions to flood relief workers from WHAS, Louisville, was this message: "**Burt Monroe**, commander of Top Flight—emergency—call **Major Krayenbuhl** immediately on 'phone number ----." Major Krayenbuhl is vice-president of the Commonwealth Life and Mr. Monroe is his assistant.

Miss **Ida Wallace** of Dubuque, Ia., a pioneer insurance woman, died at her home there. She went to Dubuque in 1898 to open a women's department for the Mutual Life of New York. Later she opened an inspection bureau for the fire insurance companies in Dubuque, and every fire insurance policy written in Dubuque for many years went through her hands. She retired a number of years ago.

T. W. Wert, president American Life of Alabama, received a broken shoulder in an automobile accident near Decatur, Ala. He is being treated at a Decatur hospital.

C. E. Bent, Los Angeles, has completed 30 years with the Travelers, having become its agent in 1907, prior to which he had been writing insurance since 1903, following his graduation from Pomona College.

From 1926 to 1930 Mr. Bent received a total of \$870,000 in premiums from one client in the completion of a combined program of single premium life insurance and annuities. The \$400,000 paid in 1932 by the Travelers upon the death of this client is the largest claim ever paid by the company on the Pacific coast.

In 1908 he won the National Association of Life Underwriters essay contest.

In 1909 he was elected secretary of the Life Underwriters Association of Los Angeles. In 1924 he was chairman of the entertainment committee at the Los Angeles convention of the National Association of Life Underwriters. In 1925 he was president of the Life Underwriters' Association of Los Angeles. Mr. Bent wrote "The Life Underwriter's Creed," which was adopted as the official creed of the Los Angeles association in 1925, and later was adopted by the National Association of Life Underwriters at its Kansas City convention in 1925.

W. M. Rothaermel, superintendent of agencies central department Equitable of New York, Chicago, is being honored by a production contest of the department in February. Mr. Rothaermel late this month will sail from New York on a vacation prescribed by his physician. The campaign plan calls for every agent to write an application Feb. 15, anniversary of his signing a contract as

agent in Oklahoma in 1919. Two years later to the day he was returned to Chicago as assistant to the resident supervisor and exactly two years later transferred to New York, becoming agency assistant to Vice-president F. H. Davis. Late in 1928 Mr. Rothaermel was transferred to San Francisco as superintendent of agencies western department and a year later to Chicago in his present capacity. Every agent in the department forwarding five or more applications will be the guest of his manager at a luncheon March 4 celebrating results of the February Rothaermel drive.

H. C. Lawrence, Newark general agent of the Lincoln National Life, has been named the company's "most valuable agent" for 1936. This award is made annually by the company, not on the basis of total volume for the year, but on the basis of the following quality production factors: (1) Volume of business; (2) persistency of business, and (3) average size of policy. Clyde Chadwick, San Antonio, Tex., won the title a year ago.

W. J. Cameron, vice-president and director Home Life of New York, was honored by representatives of the General Agents Association on his 20th anniversary with the company.

W. B. Stark, general agent at Syracuse, president of the association, on behalf of the field force presented Mr. Cameron an engraved desk set. Mr. Cameron, a graduate of the University of Toronto in 1911, entered the employ of the New York Life in that year, then became deputy commissioner and actuary of North Carolina. In 1917 he became assistant actuary of the Home Life, and vice-president in 1928.

C. C. Ferguson of Winnipeg, general manager of the Great-West Life, is now recuperating from a serious abdominal operation. It will be some time before he will be able to attend to his official duties.

Norris H. Bokum of Bokum & Dingle, Chicago general agents of the Massachusetts Mutual Life, who was confined to the Presbyterian Hospital in his city for some time, is now back on the job fully recovered.

Funeral services were held in Columbus Monday for **William C. Safford**, 67, father of **W. C. Safford** of the Western & Southern, Cincinnati, and former Ohio superintendent.

H. A. Behrens, head of the Continental Casualty and Continental Assurance, of Chicago, leaves next week to be gone until April. He will first go to the Mexican coast along Lower California for deep sea fishing. Later he will tarry in Los Angeles, then go to San Francisco to his home on Belvidere Island in San Francisco Bay.

A. J. Thomas, associate in the Carl LeBuhn agency of the Massachusetts Mutual Life, Davenport, Ia., is recovering at his home following a light stroke suffered while in Muscatine, Ia., on business recently. Mr. Thomas fell on the

For eighty-eight years the world has chuckled over Micawber's sage advice on financial management—which he never took himself.

In the Metropolitan's advertisement "Income and Outgo," in the February magazines,* the statement is made that planning ahead is the surest way of getting ahead. A budget helps a man plan to get the most out of each item of expense.

Seven million families are told through this advertisement what every Field-Man knows—that to get the most protection for his family in the years to come, a man should have expert advice in building a Program best suited to his pocketbook and his needs.

*Business Week, Collier's, Cosmopolitan, Forbes, Nation's Business, Saturday Evening Post, Time.



METROPOLITAN LIFE INSURANCE COMPANY

Frederick H. Ecker, Chairman of the Board
Leroy A. Lincoln, President

ONE MADISON AVE., NEW YORK, N. Y.

ANOTHER GOOD YEAR

Gains for 1936 over 1935

New Paid for Business.....	24% increase
New Premium Income.....	58% increase
Assets.....	2.4% increase
14% reduction in Terminations	

Expansion program offers excellent opportunities to men with successful records.

The Manhattan Life
INSURANCE COMPANY
120 West 57th Street
New York City, N. Y.



Forward—Together

Thirty years of steady, conservative progress, with constant modernization of views and methods, is the record of Peoples Life Insurance Company, "The Friendly Company" of Indiana.

From earliest times man has provided in the good years for the coming of the bad, now using life insurance investment more and more freely as his medium in making this preparation. Increased public understanding of its wonderful possibilities, skillfully planned programs, trained officials, have made the Institution of Life Insurance the success it is today. We are proud of our part in this great business of guaranteed protection and investment.

Are you interested in such a profession? Then you will find it pays to be friendly with the

PEOPLES LIFE INSURANCE CO.

"The Friendly Company"

FRANKFORT

INDIANA

ice and struck his head on the pavement. His right side, arm and leg were temporarily paralyzed. He has been associated with Mr. LeBuhn for more than 26 years.

A testimonial dinner will be tendered T. F. Keer, first president of the Life Underwriters Association of Northern New Jersey, in Newark Feb. 5 by the present officers and past presidents of the association. The guest speaker will be Alfred Hurrell, vice-president and general counsel of the Prudential.

Mr. Keer, who was a member of the agency firm of Van Vliet & Keer, Essex county managers of the Prudential for 27 years, retired Jan. 1, due to age limit of the company.

H. O. Claywell of San Antonio, Tex., manager of the California-Western States Life, together with his wife and two daughters attended the annual convention of his company held at Coro-

nado, Cal. He was formerly manager of the Sun Life of Canada at Mexico City. Two years ago he won great fame in aviation, flying his own plane and breaking the record from Mexico City to Dallas. While visiting southern California he was entertained in Los Angeles by J. L. Collins, formerly in the home office agency of the California-Western States and now head of the California agency of the Capitol Life of Denver with headquarters at Los Angeles.

Herbert A. Luckey, manager of the ordinary department of the Life of Virginia in Indianapolis, is recovering from a three weeks' siege with the "flu."

J. L. Lewis, Equitable Life of Iowa, secretary of the St. Paul Life Underwriters, a former deputy insurance commissioner, and active in state military circles, died at the age of 56.

NEWS OF THE COMPANIES

Several Officials Advanced by Equitable Life of Iowa

The Equitable Life of Iowa has promoted R. G. Hunter from second vice-president and actuary to vice-president and actuary and Phineas M. Henry from general counsel to vice-president and general counsel. Dr. R. R. Simmons was elected medical director, succeeding Dr. Fred G. Wells, who has retired. Dr. W. O. Purdy was named assistant medical director.

J. E. Merriam, vice-president of Central Trust Co., Topeka, Kan., and Shirley Ford, vice-president Northwest Bancorporation, Minneapolis, were elected directors to succeed Griff Johnson and H. E. Aldrich, former officers, who have retired.

Report on Mutual Benefits

The Illinois department has made its report on the Peoples Relief of Taylorville, Ill., as of Sept. 1. It has 4,699 members. The income up to Sept. 1 was \$30,353, disbursements \$28,526, assets \$18,690, liabilities \$1,102. This is a mutual benefit association.

The Paramount Mutual Benefit of Rockford was examined as of Sept. 1. It has 1,056 members. Its income up to Sept. 1 was \$7,361, disbursements \$6,371, assets \$5,333, liabilities \$457.

The Quality Mutual Benefit of Rockford, as of Oct. 1, shows 459 members. The income up to Oct. 1 was \$4,953, disbursements \$4,067, assets \$3,451, liabilities \$405.

The Iroquois Mutual Benefit of Springfield, as of Nov. 1, shows 372 members, \$5,285 income, \$6,576 disbursements, \$1,822 assets, \$357 liabilities.

New Ohio State Directors

Carl E. Steeb, secretary of the board of trustees and business manager of Ohio State University, and R. N. Lupfer, prominent business man of Springfield, O., have been elected directors of the Ohio State Life. Mr. Lupfer is a son of the late E. N. Lupfer, who was one of the organizers of the Ohio State, and served on its board up to the time of his death three years ago. The par value of the stock has been reduced from \$100 to \$10.

Woodmen Central in Oklahoma

The Woodmen Central Life, Lincoln, Neb., has been licensed in Oklahoma. C. S. Clark, 407 Equity building, Oklahoma City, was appointed general agent.

Form New Oklahoma Company

The Santa Fe Life of Oklahoma City has been organized by the same group of men who are operating the Santa Fe National Life of Albuquerque, N. M. It has \$10,000 paid up capital and \$50,000 subscribed. Stockholders include J. S.

Sheritt and Ezra Watts, president and vice-president respectively of the Albuquerque company; E. H. Wells of Socorro, Mexico; Roy E. Jones of Oklahoma City and J. Liddke of Oklahoma City. The company has applied for license to write industrial life, health and accident insurance in Oklahoma.

New Crown Life Directors

New directors of the Crown Life of Toronto include G. H. Ferguson, former premier of Ontario, later Canadian high commissioner in England, now residing in Toronto; E. L. Patenaude, lieutenant governor of Quebec, and N. F. Wilson, Ottawa lumberman.

Celebrates 10th Anniversary

Marking the completion of ten years of operation, the Guaranty Income Life of Baton Rouge, La., is publishing "The Book of Louisiana," a handsome volume including history and romance, facts and figures on the state. The Guaranty Income Life was founded in 1926 and now operates in Louisiana, Mississippi and Texas.

To Continue Cosmopolitan

Insurance Director Smrha of Nebraska has been given authority by the district court to operate the Cosmopolitan Old Line Life of Lincoln as a going concern, to pay all death claims and annuities and all salaries save that of President Matthews, as well as receive moneys and release liens and mortgages. The court also discharged the company from liability on the \$191,300 judgment obtained jointly against it and Mr. Matthews by thrift policyholders because of improper allocation of funds. The company obtained release by transferring \$84,000 of its surplus.

State Capital to New Home Office

The State Capital Life of Raleigh, N. C., has moved to its quarters in the Wachovia Bank building. It has leased the entire fifth floor and the new quarters have been completely renovated to form modern and attractive offices for a life company.

Although the company did not begin business until September 1936, it has made such rapid growth that the old quarters were outgrown.

O'Neil Goes to Sacramento

Jack O'Neil, cashier of the Dallas branch office of the California-Western States Life, has been transferred to the agency department at the home office, assisting Ernest Guttersen, director of sales and agency service.

Ask Receiver for Association

The appointment of a receiver for the Golden West Life Association of Topeka has been requested by Attorney-General Beck of Kansas in the Shawnee

county district court. Mr. Beck alleges the company's solvency is impaired and that it is doing business in violation of the state laws. Policyholders are endangered as disbursements exceed the income, he held.

F. T. Stanford in Field Work

F. T. Stanford, who has been in charge of the advertising and service sections of the agency department of the Canada Life, has relinquished his duties there in order to get into closer contact with field work. He has become associated with the Toronto city branch. Mr. Stanford made his first contact with the Canada Life in September, 1899. Since then his work has brought him into contact with many phases of the business including conservation, training classes, general educational work, editorship of the field magazine and the duties of the advertising and service sections which he later headed.

Dr. Humphreys Assistant Director

Dr. J. L. Humphreys of Mt. Lebanon, Pa., has been named assistant medical director of the Reliance Life.

Great Southern Promotions

Guy H. McDaniel, who was in charge of the bond and property department of the Great Southern Life, has been promoted to assistant treasurer. N. Carlton Smith is the new manager of the policy department and is in charge of underwriting procedure.

Hugh Watson Is Superintendent

Hugh Watson has been appointed agency superintendent of the Southern Standard Life of Houston. He has been in the life insurance business for 18

years in various capacities. He has been connected with the Southern Standard since it was established and therefore knows the company from stem to gudgeon. He is active in civic and business activities in Houston. He led the field force in production in December.

Webster Made Superintendent

A. C. Webster, who has been made superintendent of the underwriting department at the home office of the Equitable Life of New York, was educated at Robert Gordon's College at Aberdeen, Scotland. He started his insurance career with the Northern Assurance of Scotland in 1917. He came to this country in 1929 and went with the United States Life. He became actuary in 1931.

Wall Field Service Inspector

The Confederation Life of Toronto has appointed A. E. Wall, C.L.U., as field service inspector. Mr. Wall is first vice-president of the Life Underwriters Association of Toronto.

Hazlett Leaves Northern Life

J. C. Hazlett, manager of the home office accident and health department of the Northern Life of Seattle, has resigned.

Life Company Notes

W. S. Rosecrans, Los Angeles oil man, has been elected a director of the Occidental Life of California. He fills the vacancy caused by the death of G. F. McNoble.

A. E. Sheldon, H. C. Filley and H. K. Grainger were added to the board of the Union National Life of Nebraska at its annual meeting.

The charter of the National Educators Life, Austin, Tex., has been amended to change its location to Fort Worth.

VIEWED FROM NEW YORK

By R. B. MITCHELL

SOME JANUARY FIGURES

Paid for business of the J. S. Myrick agency of the Mutual Life of New York showed an increase for January, the figure being \$2,979,959 as against \$2,708,618 for January, 1936.

The H. L. Wofford agency of the Prudential in New York City paid for \$409,125, a 11 percent increase.

The Charles B. Knight agency, New York City, general agent Union Central Life, had a total paid business for January of \$2,936,130 as compared with \$2,030,107, for January, 1936.

* * *

WILL HONOR NELSON HADLEY

The New York City Life Underwriters Association will tender a testimonial dinner next Monday evening to N. B. Hadley, chief life examiner of the New York insurance department, who is retiring after 30 years. The main addresses will be given by Superintendent Pink, G. S. Van Schaick, vice-president New York Life and former superintendent; L. A. Lincoln, president Metropolitan Life, and Alfred Hurrell, vice-president of the Prudential, who was formerly connected with the New York department.

* * *

GARRISON AGENCY COURSE

A life insurance training course for general insurance brokers, covering fundamentals, policy contracts, programming, taxation and business insurance will be given by the P. R. Garrison agency of the Prudential in New York City. Sessions will be held Tuesdays and Thursdays from 5:15 to 6:45 p. m. beginning Feb. 23. Leo Blatz and A. A. Press, C. L. U., assistant managers, will conduct the course.

* * *

J. V. DAVIS ASSOCIATE MANAGER

T. M. Riehle, manager Equitable Life of New York, has appointed Joseph V. Davis, who has been associated with him for 11 years, to the position of associate agency manager.

Mr. Davis joined the Riehle agency in 1926. In 1927, Mr. Riehle appointed

him unit manager. Starting from scratch he built an outstanding unit. His unit has paid for, in some years, over \$5,000,000 in business. It has for many years led all of the units in the greater New York department of the Equitable and is a leading unit in the entire country. He is a graduate of the New York University life insurance training course as well as other courses in life insurance selling.

He is a member of the executive committee of the New York City Life Underwriters association. He is vice-president of the Life Supervisors Association.

Loan Managers' Meeting

NEWARK, Feb. 4.—Managers and assistant managers of the Mutual Benefit Life's six farm loan branch offices are in a four-day conference at the home office. While the principal discussion is on branch office organizational problems other topics will be: the company's past and present experience and future aims in the farm investment field; social security act administration through branch offices and the government soil conservation program. Sessions are under the chairmanship of Assistant Treasurers Beal, Hoddinott, Diefendorf and Vice-president Hornbeck.

President John R. Hardin was dinner host to the group Feb. 3 when John S. Thompson, vice-president and mathematician, spoke.

Illinois Code Not Introduced

The Illinois insurance code has not yet been introduced in the legislature. The report was heard that it was to have been introduced Tuesday, but department officials state it will not be introduced until a "later date."

President Zacher of the Travelers was in Springfield this week conferring with Insurance Director Palmer. Under the proposed code, life companies could not write compensation, auto liability or other third party coverages. This would affect exclusively the Travelers.

A Good Combination

A successful old time agent recently said to us: "I have seen policies I liked just about as well as yours; I have seen agent's contracts just about as good; but I have never before seen them put together by one company."



BANKERS MUTUAL LIFE CO.
FREEPORT, ILLINOIS

Founded in 1907

Another Commission Maker!

The New Berkshire Family Protection Policy

— PAYS —

\$25 to \$250 monthly income to insured's family for 10-15 or 20 years, if his death occurs within the above specified periods.

— PAYS —

\$2500 to \$25000 face amount at the end of the specified monthly income period. If death does not occur within the above 10-15 or 20 years, face amount is payable at death, without income.

Premium reduces to original age, ordinary life rate, at the end of the 10-15 or 20 year period.

Waiver of premium and double indemnity benefits can be obtained. Contract fully participating, cash-paid up and extended term values.

— O —

Write for further details and investigate the "Selling Features" of this new policy.

— O —

"ASK ANY BERKSHIRE AGENT"

BERKSHIRE LIFE INSURANCE COMPANY

(Incorporated 1851)

Pittsfield, Mass.

Fred H. Rhodes, President

86 YEARS OF LIFE INSURANCE SERVICE



Going Places

With...

**THE OHIO STATE LIFE
INSURANCE COMPANY**
COLUMBUS, OHIO

1937 Golden Jubilee Year 1937

Provident's 50th Anniversary Year opens auspiciously, for 1936 was closed with an ALL-TIME record in all Departments of the Company.

GAIN OF LIFE INSURANCE IN FORCE

— \$19,405,854.00 —

...

**Accident and Health Premium Income
Over \$4,900,000.00**

(A gain of more than three-quarter million)

To our loyal Fieldmen who made possible this all-time record for 1936, our sincere compliments.

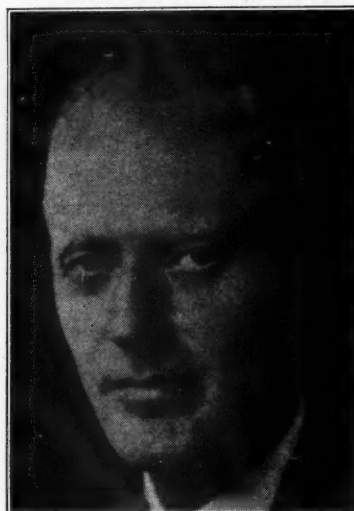
**PROVIDENT LIFE and ACCIDENT
INSURANCE COMPANY**
CHATTANOOGA, TENNESSEE

LIFE AGENCY CHANGES

Cooley Takes Portland Post

New England Mutual Transfers Director of Sales of Boston Agency to Maine As General Agent

The New England Mutual Life announces the resignation of Ira S. Sawyer as general agent at Portland, Me., and the appointment of Harold P. Cooley of Boston as his successor, effective



HAROLD P. COOLEY

March 1. Mr. Sawyer, born in 1869, became general agent at Portland in 1902. Next October he will complete 35 years of loyal and effective service. He has built up an organization covering a considerable part of the state.

Mr. Cooley, born about 45 years ago in Boston, now assumes the direction of this long-established agency. After graduation from high school, he spent two years with the Boston Insurance Company (fire). In 1912 he transferred his interest to the wool business, where he remained 14 years. In January, 1926, he became an agent of Moore & Summers, home office agency of the company in Boston. He made his first sale the day after signing his contract and by the end of the year had rolled up business of \$325,000. He remained in the field until 1929, when he was appointed director of sales for that agency. In the eight years he devoted to supervisory work he secured many recruits, 19 of whom are now actively with the agency. These men have paid for over \$10,500,000 of new business. He was president of the Boston Life Underwriters Association in 1933.

Promotions in California

Several promotions in the field are announced by the California-Western States Life. Paul Taylor, former assistant manager of the Sacramento agency, has been promoted to supervisor in charge of a new unit there known as the Capital City Agency, located in the home office building. L. C. Tallman, assistant manager of the Fresno agency, was promoted to supervisor, continuing special agency development work there under Manager T. A. East. C. O. Brown has gone with the Sacramento agency as unit manager, assisting Manager Gilbert Ball in new organization activities.

Priest Named at Austin, Tex.

B. B. Priest has been appointed district manager of the Jefferson Standard Life at Austin, Tex., with offices in the Norwood building. He has represented the company in Austin for six years and has qualified for the fifth consecutive year as a member of the Julian Price Club.

Announcing New Managers

American National of Galveston Makes Appointments in Some Important Points in Its Field

The American National ordinary department announces the appointment of new managers in St. Louis and Jackson, Miss., and the opening of new offices in Clarksdale, Miss., and Evansville, Ind. In St. Louis, E. J. McMichael has been named manager to replace R. E. Warne, who has resigned. He has been in the business over 20 years. Following the war he served as supervisor and personal risk inspector and later served as manager for a company for 11 years in Roanoke, Va., and Nashville. He is a past president of the Roanoke Life Underwriters Association.

E. D. Slater is the new manager at Jackson, succeeding E. L. Ragland, who has resigned. He was formerly located in Mobile, Ala. He has been associated with the American National there off and on as general agent and producer.

J. T. Jenkins and N. C. Boyle become the managers at Clarksdale. They have been general agents for another company, which has now withdrawn from Mississippi. Their territory will be above the Alabama & Vicksburg railroad.

Fred S. Fenn becomes general agent at Evansville. He has had 10 years' insurance experience.

Schafer Returns to the Field

Henry G. Schafer, who recently retired from home office work with the John Hancock Mutual to take charge of a new district office at Somerville, Mass., is a man of wide experience in life insurance. He has spent his entire business life with the John Hancock, and on April 22 will observe his 30th anniversary of service. He started in the medical department of the home office at the age of 17. In 1910 he went into the field on a debit at Boston, and in September, 1920, was promoted to an assistant. In May, 1928, he returned to the home office, representing the agency department in various capacities the next four years. In April, 1932, he was appointed general agency supervisor, which position he resigned to return to the field.

Coates Made Agency Instructor

The Mutual Life of New York has appointed John S. Coates as agency instructor of the San Francisco agency, with territory comprising San Francisco and central California. He has been connected with the company since 1927, for a short while as a San Francisco representative, and, until January 15, 1937, as district manager at Fresno.

Swisher Ohio Manager

Harold P. Swisher has been appointed Ohio manager of the Columbus agency of the Mutual Benefit Health & Accident and the United Benefit Life with headquarters in Columbus, to succeed H. E. Travis, who was killed in an automobile accident a few days ago. Mr. Swisher has been adjuster for the companies.

Drake Kansas City Manager

Albert Drake has been appointed Kansas City manager of the State Mutual Life. He has been associate general agent since 1929. He succeeds P. W. Eames, who retired as general agent early this year, and who will continue as a personal producer.

Transfer Awde to Providence

The New York Life has transferred George W. Awde, Jr., agency director in Burlington, Vt., to a like position in Providence, R. I. Mr. Awde is a native

of Vermont. He has been with the New York Life in the Burlington office since 1924 and before that in Manchester, N. H. He has served as president of the Burlington Life Underwriters Association.

F. W. Merselis Promoted

E. C. Hoy, Newark manager Sun Life of Canada, has promoted Fred W. Merselis to unit manager in northern New Jersey, succeeding J. L. Harries, who has been advanced to acting manager of the company's West End branch office in London.

Capitol Life Appointments

These appointments of general agents have just been announced by the Capitol Life of Denver: H. K. Banks, Beaumont, Tex.; H. P. Allen, Waco, Tex., and D. M. Brilhart, Everett, Wash. Mr. Brilhart is being transferred from Seattle.

Made Davenport District Manager

R. F. Kopperschmidt has been appointed district manager of the New England Mutual Life in Davenport, Ia. He has had many years' experience in life insurance. Formerly he was with the Chicago office of the Mutual Life of New York and served as agency director of the Mutual Life in Davenport.

R. H. Burton Resigns

R. H. Burton has resigned as agency director of the New York Life in Rhode Island and will give his time to development of personal business.

Heath Takes Southern Alabama

The Life of Virginia has appointed John C. Heath as southern Alabama manager, with headquarters in Montgomery. He succeeds R. S. McKnight, resigned.

A graduate of the school of life insurance of the University of Pittsburgh, Mr. Heath has had more than 10 years' experience as a personal producer and agency-builder.

DeLos in New Post

Paul DeLos, a million dollar producer, with the Aetna Life more than 35 years, has been placed in charge of the San Joaquin valley territory under F. C. Whatley, general agent for central and northern California. Mr. DeLos, who will make his headquarters in Fresno, Cal., will have as his assistant C. C. Evans, district supervisor, also a substantial producer.

Woman Named General Agent

Miss Genevieve M. Rose, an agent of the Michigan Life at Muskegon, Mich., for the past three years, has been appointed general agent. She has made an exceptional record as a producer.

Life Agency Notes

Ralph Pfremmer, former general agent Guaranty Mutual Life, Wichita, Kan., and previously district agent Aetna Life, has joined the New York Life office in Wichita as a producer under W. F. Mulconery, agency director.

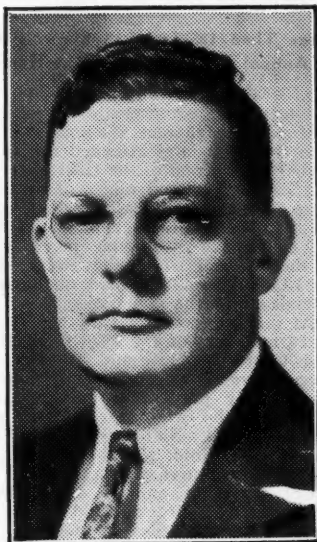
Danford M. Baker, an outstanding personal producer and a general agent in Los Angeles for a number of years, has joined the southern California agency in Los Angeles of the Connecticut General Life.

Mutual Trust Life Reports Substantial Gains in Year

Assets of the Mutual Trust Life increased 7.67 percent in 1936, insurance in force rose 3.69 percent, gross surplus was 7.49 percent greater, the annual statement shows. Total assets were \$37,741,576 and insurance in force \$160,135,799.

Cash totaled \$708,208; bonds were: U. S. government \$6,338,082; state, county and municipal \$4,531,370; public utility \$4,841,500; railroad \$1,533,204,

Heads Great Southern's Home Office Agency



SAM R. HAY, JR.

Sam R. Hay, Jr., has been appointed agency director in charge of the Houston city agency of the Great Southern Life. This is the largest exclusively operated city agency of the company and it is one of the largest agencies of the south. All of the agents reside in Houston and all are on a full time basis. The practice of employing only full time representatives was adopted several years ago. There are 31 men under contract. Their average production for 1936 was over \$150,000 and their average size policy was \$2,300. The average length of experience was over five years, with medium length of service of four years.

The agency office quarters occupy the entire sixth floor of the home office building. Private offices are furnished all men who pay for \$100,000 of business each six months period with total premiums of \$2,500. Private telephone rooms and private consultation rooms are available for all agents and there are personal desks for all agents.

Assisting Mr. Hay is George F. Simonds, supervisor. Prior to his appointment in 1935, he was an agent of the Great Southern in Houston.

and industrial \$727,801. First mortgage loans were: City, \$4,584,597; farm \$1,729,564. Policy loans and premium notes totaled \$6,454,437; real estate \$5,026,277; due and deferred premiums (net) \$777,751; interest due and accrued \$436,322, and miscellaneous \$52,459.

Legal reserves totaled \$31,364,745, proceeds under optional settlements \$752,000; policyholders dividends on deposit \$1,506,963; premiums and interest paid in advance \$262,583; death claims due and unpaid, none; claims on which proof of loss was not received \$175,559; reserve for taxes and expenses \$190,160. Additional reserves were: Future dividends \$720,850; contingency \$1,300,000; unassigned surplus \$1,468,714; and gross surplus reserves were \$3,489,564.

The company paid \$2,886,215 to policyholders and beneficiaries in 1936, and has so paid since organization \$43,194,459.

Connecticut General Promotions

A. C. Hickmott, assistant secretary of the Connecticut General, has been made financial secretary. C. M. Eddy becomes secretary of the group department and Walter Bjorn, assistant secretary. L. B. Soper is made assistant secretary of the accident department and Dr. A. C. Wilson is elected assistant medical director.



LIFE REINSURANCE EXCLUSIVELY

LAWRENCE M. CATHLES
PRESIDENT

89 JOHN STREET

NEW YORK CITY

General Agency Opportunities

open in

Ohio - Indiana - Kentucky

Real live wideawake men can secure one of the most profitable contracts ever offered, with long time renewals.

This 33 year old company writes all forms of modern life insurance at low net costs, such as:

Juvenile from one day up.
Family Income Policies.
All Limited Pay Lives.
All Short Term Endowments.
Annual Renewable Term.
Single Premium Annuities.
Annual Premium Annuities.
Both Participating and
Non-Participating Policies.

Home Office supervision, direct mail advertising, and educational helps.

If you are interested and can qualify write for further details to

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THE COLUMBIA LIFE
INSURANCE CO.

Cincinnati, Ohio

**MEN
OF
ACTION**

REPRESENT A COMPANY
RECOGNIZED EVERYWHERE AS

*"One of
the Best"*

CENTRAL LIFE
ASSURANCE SOCIETY
DES MOINES, IA.

"Sweetest Income in America"

THAT'S what a "big time" life underwriter said of the side commissions obtainable from selling income protection.

Increasing Life writings at the same time you sell income protection depends on a plan.

Our book "The Sweetest Income in America," outlines this plan now in successful operation in a number of Inter-Ocean Agencies.

If you are interested in an H & A connection with us, write for this booklet.

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LIFE SALES MEETINGS

Indianapolis Life Gathering

Agents from the Central States Held a Convention at the Head Office Last Week

The central states agency convention of the Indianapolis Life with agents present from Indiana, Illinois, Ohio, Iowa, Minnesota and Michigan was held at the home office last week. A. H. Kahler, head of the agency department, presided at the business sessions.

At the initial session, Vice-president A. L. Portteus gave the welcome. Actuary W. H. Huehl told of the company's progress last year. E. G. Driscoll told about the conservation records in 1936 and named the winners in the contest. Irving Palmer spoke of the production records. President E. B. Raub spoke at the end of the first session and also at the close of the last session.

During the afternoon session the first day, Frank M. See, general agent New England Mutual Life at St. Louis, gave a talk. A number of general agents spoke and other company men.

Features of the Session

Paul Speicher, R. & R. Service, spoke on "Developing an Agent's Greatest Asset." That asset, according to the speaker, is time. Doyle Zaring, of the home office, talked on "Indianapolis Life Packages and Visual Selling." He displayed a new visual sales book which has been especially prepared for representatives of this company and it was enthusiastically received. J. W. Schwab, star producer of the home office agency and member of the Million Dollar Round Table of the National Life Underwriters Association, talked on "Business Men's Policy." Mr. Schwab has been exceptionally successful in placing a large volume of this business in the past few months.

F. D. Brosnan, also of the home office agency, talked on "Developing a Convertible Term Program."

At the closing session it was the consensus that a quota of 20 percent over 1936 would be about right for 1937.

At the banquet Vice-president Portteus was surprised with a birthday cake, it being his natal day, and some 200 congratulatory cards from agents, representing about \$500,000 of new business written in honor of the occasion. In spite of the fact that the whole idea had been put over without his knowledge he came back with a rattling good acknowledgment.

President Raub made an eloquent address on "The Advantages of a Medium Sized Company" developing the thought that in investments it is easier to handle the relatively smaller amount of funds efficiently and as to personnel it is possible for the home office to maintain a more intimate contact with the field.

Under the direction of E. F. Kepner and Miss Frances Kelley of the home office, the girls of the home office sang a number of selections containing personal complimentary references to some 40-odd of those present and at the close of each selection visited the tables and pinned flowers on the visiting agents, who were graded as "Super-Salesmen," "Salesmen" and "Peddlers," according to production preceding the holding of the convention.

Mutual Life Wisconsin Rally

Agents of the Mutual Life of New York in southern Wisconsin attended a district conference in Madison. Speakers included Gifford T. Vermillion, state manager, Milwaukee; P. G. Gibson, agency organizer, Milwaukee, and Joseph Baer, district organizer, Madison, who was in charge of arrangements. Prof. Richard Husband, University of Wisconsin, spoke at the luncheon on "How Psychology Applies to Salesmanship." About 100 attended.

Guarantee Mutual Convention

More Than 125 from 18 States Attend Annual Agency Meeting at Home Office in Omaha

More than 125 general agents and field men from 18 states attended the annual agency convention of the Guarantee Mutual Life at the home office. The largest state delegation, 18, was from California.

Fifty-two general agents held a two-day conference with home office officials, at the close of which they were joined by 73 field men who had qualified for attendance at the convention.

At the banquet prizes were presented to 55 members of the 1936 Gold Medal and Century Clubs, and 10 men who recently completed 50 weeks of consecutive weekly production in the App-a-Week Club were presented wrist watches. O. C. Nail of Spokane, Wash., headed the Gold Medal Club for the second consecutive year.

Col. A. W. Thompson of Lincoln, a former life insurance field man, was guest speaker at the banquet.

Insurance Director Smrha of Nebraska, who was a special guest, said the department is not making numerous demands upon the insurance field. "In accomplishing what there is to be attained," he said, "we prefer to invite cooperation rather than resort to coercion and particularly do we invite cooperation on the part of agents in carrying out the department's slogan, 'Write risks right,' because when that is done the annoying and perplexing problems of the department will be eliminated."

"The service that life insurance renders has been found to be so essential to the welfare of the American people that national legislation has been enacted making provision for precisely the type of service insurance companies have been rendering through the years. The social security act will not in any way diminish the service to be rendered by insurance organizations in the future, but will augment the volume to be written. The act will only further impress upon the public the need for the protection which life insurance affords."

Feature Sales Problems at Regional Meet in St. Louis

P. H. Evans, vice-president and actuary Northwestern Mutual Life; Edmund Fitzgerald, vice-president; Grant L. Hill, director of agencies; Harry Ricker, assistant secretary; Nelson Phelps and L. J. Evans, assistant directors of agencies, will represent the home office at the conference of 11 central west general agencies in St. Louis, Feb. 8-9. C. H. Poindexter, general agent in St. Louis, will be host. The conference is the first of its kind in the middle west for Northwestern Mutual agents, and is similar to the meetings held in New York and on the Pacific Coast.

Sales problems will be taken up in discussion groups, in general charge of Milton Koch, St. Louis, with following session chairmen: Howard Hatfield, Cincinnati, for new agents; Bert Boyd, Kansas City, for established agents; Chester Albright, Indianapolis, business insurance, and N. B. Smith, Louisville, "Life Insurance as Property."

Following the St. Louis meeting, Messrs. Fitzgerald and Evans will go to Atlanta, where the Luther Allen general agency will hold a Georgia state meeting Feb. 10, and then on to Nashville for the Tennessee state meeting of the E. T. Proctor general agency, Feb. 11-12.

Plans Yeomen Mutual Meet

T. H. Young, superintendent of agents Yeoman Mutual Life, is on a swing around the western circuit, stopping at Minneapolis, Portland, Seattle, Oakland,

and planning to arrive in Los Angeles about Feb. 15.

While in Los Angeles Mr. Young will make arrangements for the company's agency convention, which will be held there about Aug. 23. The club members will assemble at the home office in Des Moines, going on a special train direct to San Diego, stopping over there several hours and then going on to Los Angeles for four days, and later spending about the same length of time in Oakland.

Gillis Guest Speaker

Agents of the Equitable Life of Iowa from northwest Iowa and northeast Nebraska attended an agency meeting in Sioux City. C. W. Cottingham, general agent, was in charge. Lee J. Gillis of Omaha, former superintendent of schools at LeMars, Ia., now Nebraska manager of the Northwestern National Life, spoke on "Sources of Prospects."

Federal Managers in Des Moines

L. D. Cavanaugh, executive vice-president Federal Life, and George Barmore, vice-president and superintendent of agents, attended a meeting of 25 Iowa and Nebraska agency managers in Des Moines. They announced several new forms of endowment annuities and special annuity contracts are to be issued.

Indiana Staff in Convention

A state convention was held at Indianapolis by Mayfield & Bowen of that city, Indiana general agents of the Midland Mutual Life. This agency made good progress, having gained a million in force last year. About 40 agents and their wives attended the meeting, winding up a record of \$100,000 paid for in January. Cup trophies were awarded to J. W. Lear, Rockville, largest volume written and paid in January; E. J. Mason, Marion, largest number of paid cases; Irvin Freudenstein, Versailles, largest first year premiums paid in January. G. A. Bowen was second largest personal producer in 1936. J. R. Mayfield, former agency director Indianapolis Life, has done a good job of organizing, securing over 40 producing agents in the 22 months since the agency was organized in 1935. President G. W. Steinman of the Midland Mutual was the main speaker at the dinner, discussing progress in 1936 and predicting a prosperous year in 1937. J. A. Hawkins, manager of agencies, presented the three trophies and discussed "The Hidden Values of Life Insurance." R. S. Moore, assistant manager of agencies, talked on "How You Can Make More Money." Mr. Mayfield presided. G. A. Bowen discussed "My Technique in Selling."

Third Conference Held

The third special sales conference since Jan. 8 was presided over by Agency Vice-president Rollin Young of the Franklin Life at the home office Feb. 1-2, 12 general agents attending. Purpose of the meetings is to make uniform agents' and agency managers' sales plans. The average quota of business for 1937 set by the 92 agents who attended these three meetings is about 25 percent higher than for 1936, or nearly double the increase recommended.

Hold Convention in Chicago

The State Farm companies of Bloomington, Ill., including the State Farm Life, State Farm Fire and State Farm Mutual Automobile, will hold their annual convention at the Hotel Sherman

MORTGAGE INVESTORS INSURANCE COMPANIES ATTENTION

Real Estate Mortgage Firm servicing mortgages for personal clientele would like to act as loan agent in Chicago territory. Have mortgages to liquidate, also applications for new and refinancing loans. Twenty-five years experience.

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in Chicago Feb. 15-16. In previous years it was held at the home office in Bloomington.

Great-West Managers Meet

The managers convention of the Great-West Life of Winnipeg will be held at the Edgewater Beach Hotel, Chicago, next Monday and Tuesday. Assistant Manager H. W. Manning and Inspector of Agencies David Kilgour will be present.

Pacific Mutual New Orleans Rally

A. N. Kemp, president of the Pacific Mutual Life, visited New Orleans with other officials of the company and held a meeting for agents in that area. He was accompanied by D. C. MacEwen, vice-president and superintendent of agencies; Rex N. Rafferty and Walter R. Hoefflin, eastern and western supervisors.

Sales Clinics in Pittsburgh

First of Series Next Week Will Offer Answers to Tax Objections Most Frequently Met

The first of four Business-Getter sales clinics to be conducted by the Pittsburgh Life Underwriters' Association will be held Feb. 11.

A group from the supervisors' club of the association selected six objections as typical of those met by the selling force and these will be answered during the discussion under the heading, "Answering Present-day Objections."

L. C. Woods, Jr., Equitable Life of New York, will be chairman. Six leaders, primed in advance, will reply to the objections and each will be threshed out fully before the next is considered. The six objections are:

1. I am putting my money in securities.
2. I am interested in putting my money into investment trusts.
3. Why buy life insurance when we may be in for a period of inflation?
4. Since the social security plan will provide for my future, I won't need more life insurance.
5. I haven't had time to rebuild my reserve and won't undertake anything else until I'm in good shape again.
6. My family has gone without things for so long that we're going to have some fun before we buy life insurance.

Discussion of the same general theme of meeting objections will be continued at the meeting on Feb. 26.

Just what is purchased when an insurance policy is written will be explained by R. B. Hull, managing director National association, and Dr. S.S. Huebner, president American College of Life Underwriters, at a meeting March 28 which 2,000 Pittsburgh policyholders are expected to attend.

CHICAGO

WADE FETZER IS HONORED

Wade Fetzer, president W. A. Alexander & Co., general agents Penn Mutual Life, has been elected a trustee of Northwestern University, which makes the second college board of which he is a member. He holds a similar position on the board of Beloit College, Beloit, Wis.

* * *

SCHWEMM IN TWO TALKS

Earl M. Schwemm, manager of the Great-West Life in Chicago, has been addressing a number of agents' associations recently, speaking at a meeting of the Aurora Association of Life Underwriters on "What's Wrapped Up in a Life Insurance Policy?" and also before the Peoria Chapter of Chartered Life Underwriters, where he took part also in a discussion of C.L.U. activities. The Chicago agency made great gains in

January, both on written and placed bases, taking fourth position for placed business.

* * *

BAIRD ASSISTANT MANAGER

H. W. Baird has been appointed assistant manager by W. C. Peck, Illinois department manager of the Reliance Life, Chicago. After attending Monmouth college Mr. Baird transferred to Northwestern University School of Commerce, specializing in insurance, investments and estate planning. He was graduated in 1935. He is vice-president of Bills sales conclave of Northwestern University, an alumni organization conducting research and practical interchange of ideas in selling and sales management. The Reliance Life Illinois department has marked gains for nine consecutive months. Mr. Baird will assist in organization, training, supervision and continue personal production. Formerly he was associated with the Northwestern Mutual Life in Chicago.

* * *

HOLD SALES CLINIC

The first 1937 sales clinic of the Chicago Association of Life Underwriters will be held Friday with two speakers. B. C. Bentley, attorney, will tell "How to Use Social Security in Insurance Sales." R. D. Hinkle, of the Kemp agency of the Equitable Life of New York, also will speak and show operation of his apparatus to determine quickly payments due under the federal social security plan.

* * *

LUSTGARTEN AGENCY IN LEAD

The Sam Lustgarten agency in Chicago of the Equitable Life of New York with a volume in excess of \$2,200,000, exclusive of group, led the entire Chicago organization in January. The leading personal producer was Assistant Agency Manager Louis Behr, with over \$700,000 paid volume. Mr. Behr is a persistent "millionaire" nationally known for his famous prospecting system published by the "Diamond Life Bulletins." The entire agency contributed toward the record achievement.

* * *

TWO MEETINGS ARE SET

The women's division of the Chicago Association of Life Underwriters will meet Feb. 9. The General Agents & Managers Association meeting has been set for Feb. 11.

News of Pacific Coast States

Los Angeles Millionaires Pay Honor to R. B. Hull

Honoring R. B. Hull, managing director National Association of Life Underwriters, 14 Los Angeles members of the Million Dollar Round Table met. It was revealed that the men composing the group during their years in insurance work had written policies totalling \$185,950,000 and had policies on their own lives totalling \$2,125,000, an average of \$125,000 each.

Other guests of honor were Grant Taggart, California-Western States Life, Cowley, Wyo., chairman of the Million Dollar Round Table, and John Newton Russell, general agent of the Pacific Mutual Life for 30 years, and past president of the National association.

Those present included R. A. Brown, Pacific Mutual, past round table chairman; Benjamin Leven, New York Life; J. R. Mage, Northwestern Mutual; H. G. Mosler, Massachusetts Mutual; V. F. Pettrick, Ohio National Life; C. E. Cleaton, Occidental Life; H. G. Parsons, Travelers; Ron Stever, Marvin Sherman and Cecil Frankel, Equitable Life of New York; D. M. Baker, Connecticut General Life; Phinehas Prouty, Jr., Massachusetts Mutual Life, president

Los Angeles Life association, and F. W. Bland, Pacific Coast manager THE NATIONAL UNDERWRITER.

Business Men's Assurance Rally

J. P. Baldwin of Los Angeles, state manager of the Business Men's Assur-

ance of Kansas City, held an agency conference in his office this week to present home office plans for the year. He recently returned from Kansas City. Some 30 agents from southern California attended with District Manager C. F. Ramsey of Los Angeles and R. E. Sanders of San Diego in attendance.

THE DOMINION LIFE

Business in Force Increased over \$8,500,000

Highlights of the 48th Annual Statement

DURING 1936

ASSETS Increased by	\$2,660,075
(and now total \$33,758,945)	
POLICY AND ANNUITY RESERVES Increased by	\$1,989,710
(and now total \$27,640,537)	
INSURANCE IN FORCE Increased by	\$8,740,784
(and now stands at \$164,019,813)	
INSURANCE ISSUED AND REVIVED	\$23,496,796
PAYMENTS TO POLICYHOLDERS AND BENEFICIARIES TOTALLED	\$2,960,511
EXCESS OF RECEIPTS OVER DISBURSEMENTS	\$3,134,192
TOTAL INCOME WAS	\$7,772,710

DETROIT
2724-6 UNION
GUARDIAN BLDG.
F. W. SIMPSON
Manager



LANSING
800-801 OLDS
TOWER BLDG.

ROY G. NOWLIN
Manager

THE DOMINION LIFE ASSURANCE COMPANY
HEAD OFFICE — WATERLOO, ONTARIO

Good Risk or Poor Risk? The HEART May Hold the ANSWER!

ARE you accepting some "heart cases" that die early in the life of the policy—and rejecting others that "live to be a hundred"? Either way, there is a loss for your company!

An electrocardiogram test can reveal unsuspected heart weaknesses muscular in origin — or show a normal, uninjured, "safe" heart. The resulting record (electrocardiogram) will furnish an added, valuable link in the chain of evidence built up through the

physical examination. And, it is a permanent, graphic record for the company files.

We invite correspondence with medical directors, examining physicians and others interested, regarding the CARDIETTE, a new electrocardiogram that:

- Is complete in one cabinet no larger than a typewriter
- Weighs only 25 pounds
- Can be operated by anyone
- Produces standard "string shadow" heart tracings
- Costs only \$500, cash, f.o.b. Cambridge.

Use convenient coupon below, or write Dept. ELN



• Please give this advertisement to your insurance doctor • • THANK YOU!

SANBORN COMPANY
39 Osborn Street
Cambridge, Mass.

Please send complete information about the Sanborn CARDIETTE, and its adaptability to life insurance work. No obligation.

Dr.

Company

City State

ELN-1/37

NEWS OF LIFE ASSOCIATIONS

Muter Heads Canadian Body

List of Officers for the Life Underwriters Association for the Ensuing Year

S. F. Muter, Metropolitan Life, Kitchener, Ont., has been elected president of the Canada Life Underwriters Association. J. E. Matthews, North American Life, Brandon, Man., becomes vice-president. He was last year's president.

The provincial vice-presidents are as follows: British Columbia, H. Mottershead, Confederation Life, Victoria; Alberta, J. A. Isbister, Sun Life, Calgary; Saskatchewan, William Grierson, Manufacturers Life, Moose Jaw; Manitoba, M. R. McKenzie, North American Life, Brandon; Ontario, G. F. Crum, Crown Life, Toronto; Quebec, M. A. de Goumois, Canada Life, Quebec City; New

Brunswick, H. E. McLean, Manufacturers Life, St John's; Nova Scotia, C. A. Potter, Manufacturers Life, New Glasgow; Prince Edward Island, T. W. Bentley, Maritime Life, Summerside.

Officials have been elected as follows: Chairman board of directors, F. C. Hoy, Canada Life, Toronto; honorary treasurer, J. C. Ross, Travelers, Toronto; honorary secretary, C. V. Earl, Sun Life, Toronto; registrar, Institute of Chartered Life Underwriters, E. N. Jory, Great-West Life, Toronto; chairman executive council of institute, J. M. Tory, Sun Life, Toronto; chairman membership committee, H. A. H. Baker, Great-West Life, Toronto.

The following additional directors have been chosen: H. C. Henderson, North American Life, Toronto; J. V. Vian, London Life, Brantford, Ont.; N. L. Ham, Prudential of England, Kitchener, Ont.; R. E. Bliss, Confederation Life, Montreal; I. P. McNabb, Dominion Life, Toronto; B. Vise, Imperial Life, Toronto, and E. L. Sackville, Manufacturers Life, Peterborough, Ont.

Roger Hull to Continue

Roger B. Hull, managing director National Association of Life Underwriters, has resumed his speaking trip which he was forced to abandon when he slipped on the ice in Memphis last week. Following the accident Mr. Hull continued on to Oklahoma City where he filled his engagement to address the local life underwriters association but a badly sprained back obliged him to cancel similar meetings in San Diego, Long Beach and Fresno.

After four days in the Good Samaritan Hospital in Los Angeles Mr. Hull has informed all remaining local associations in his schedule that his condition has improved sufficiently to enable him to go through with the trip.

Tells Social Security Angles

Social security is here to stay, according to A. J. Johannsen, Northwestern Mutual, Chicago, president National C.L.U. Chapter, but it has come as an aid to the life business and a damage to the poor man.

Speaking before more than 200 at a banquet of the Madison Association of Life Underwriters, Mr. Johannsen said the social security act marked another milestone in the growth of the life business.

"Social security has come as an aid to the life business and has damaged the people in the low income bracket. The philosophy behind the act that a poor man cannot provide for old age is all right, but even in the year 1980, the leveling off period for the act, the benefits will total only slightly more than \$47."

Plan Indianapolis Congress

A sales congress will be held in connection with the mid-year meeting of the National association trustees and council in Indianapolis April 16.

D. W. Flickinger presided at the first meeting there since becoming president to succeed D. E. McDonald, who retired as Indianapolis manager of the Life of Virginia. In appreciation of his long and faithful service to the association, Mr. McDonald was presented an honorary life membership. E. B. Harris, Prudential, was elected vice-president to fill the vacancy caused by Mr. Flickinger's advancement. M. B. Oakes, R. & R. Service, read the new declaration of business principles of the National association with explanatory comments.

Scranton and Northeastern Pennsylvania—The first meeting of the newly organized association was held in Scranton last week. There were 250 agents present. G. E. H. Wright of New York City, assistant director of agencies of the Metropolitan Life, spoke and was introduced by W. S. Tiffany, president of the organization. His subject was "Straight from the Heart." He

pointed out the necessity of cooperation among agents. He urged all to be sincere. W. S. Tiffany of the Prudential is president. The other officers and committee chairmen are as follows:

Vice-president, F. E. Meyrellis, Home Life; secretary, P. A. Sweet, Mutual Benefit; treasurer, J. F. Bonner, Prudential. Directors—A. L. Weeks, Scranton Life; Theodore Bird, New York Life; T. J. Butler, Equitable Life of New York; R. D. Matthews, Metropolitan; Henry Whitmore, Connecticut Mutual; Jack Brown, Equitable Life of Iowa. Finance Committee—W. J. McHale, Aetna Life; publicity, G. F. Schautz, Northwestern Mutual; membership, W. B. Wagner, New England Mutual; program, meeting, entertainment and educational, C. A. Votaw, Northwestern Mutual; civic relations, Louis Glass, Jr., Connecticut General.

Davenport, Ia.—Karl E. Madden of Davenport, general agent Penn Mutual Life, has been appointed general chairman in charge of the sales congress program to be held May 8. Associated with him will be Carl LeBuhn, Massachusetts Mutual; Lloyd Gettys, Mutual Life of New York; O. E. Hanson, Prudential; Joseph Hilbe, Guardian Life.

San Francisco—R. B. Hull, managing director National association, addressed 350 business men, life insurance men, their policyholders and clients, at a luncheon in San Francisco, arranged by G. F. McKenna, Continental Assurance, and sponsored jointly by the chamber of commerce and the San Francisco association. President T. A. Gallagher was chairman. K. L. Brackett, national executive committee member, introduced Mr. Hull, who spoke on "Security." He also addressed a meeting in Oakland sponsored by the Oakland-East Bay association and another meeting in Sacramento.

St. Catharines, Ont.—G. J. Kotzenmeyer, assistant superintendent of agencies Confederation Life, spoke on means of overcoming sales resistance. He stressed the importance of permitting the prospect to follow his own logical line of thinking to the point where he is ready to sign an application.

Minneapolis—Paul Dunnvan, Canada Life, was the scheduled speaker at this week's forum session. His subject was, "Prospecting." The six weeks forum or school opened last week with a talk by F. T. McNally.

Alabama President



J. O. OGLE

J. O. Ogle, Birmingham general agent Pan-American Life, has been made president of the Alabama Association of Life Underwriters to fill out the unexpired term of J. B. Stratford, recently made Birmingham manager of the Equitable, who felt he could not give much attention to association affairs. Mr. Ogle was one of the organizers and first president of the association and last year arranged the noteworthy sales congress held in Montgomery.

Huston LaClair, vice-president of the Birmingham association, has been made secretary of the state association.

Massachusetts Mutual Life. Several hundred agents are attending.

Rochester, N. Y.—G. T. Stephenson, director trust research department of the graduate school of the American Institute of Banking, spoke at a joint luncheon of the Rochester association and the local banks' trust officers.

SOUTH

New Attack on Robertson Law

Report of Texas Senate Investigating Committee May Mean Revision of Investment Measures

DALLAS, Feb. 4.—Another fight for the repeal of the Robertson law looms as a result of the Texas senate's general investigating committee's report which recommended a complete and thorough investigation of the insurance business in Texas. It did not mention the Robertson law directly, but it said "Texans are paying about \$4.75 per \$1,000 more for life insurance than they would have to pay if the big mutual concerns of the east were operating in the state."

So certain are friends of the Robertson law that an attempt will be made at this session to change the measure, that they are already marshaling forces for the fight. They claim any change in the measure on the books for 30 years, to favor a few big companies which withdrew when it was enacted, would be unjust to the many of the withdrawing companies which have returned to the state and are complying with the law as well as all other out-of-state companies doing business in Texas.

The general investigating committee declared the Texas "insurance laws are written more in favor of the insurance companies than the insured public; that some company officials are paid salaries out of proportion to the amount of business they have in force; that Texas insurance company executives are too closely connected with banks, many of them being officers and directors of banking houses." This situation has resulted in banks borrowing heavily of insurance funds, which might weaken the life underwriting concerns involved, the report said. Some insurance examiners have received checks from insurance companies, it is charged. Companies have been "squeezed" out of existence through stock manipulations, it is held.

It recommended that the laws be revised to eliminate such things and that assessment concerns be made to pay the face value of their contracts, rather than amounts contingent upon collections, or be declared insolvent; that liquidation of defunct companies be through a liquidation agent of the state insurance commission rather than receivers, claiming that the latter results in dissipation of the assets of the companies. All kinds of insurance in Texas should be brought under the authority of the state commission, the committee said.

Renner Case Is Remanded

The Arkansas supreme court has remanded the case of C. F. Renner vs. Progressive Life with directions to proceed with the trial of the case on its merits. It held that the Benton circuit court had erred in sustaining the motion of the Progressive Life to dismiss the amended complaint filed by Renner in his suit to recover about \$50,000 which he alleges was the balance due on the purchase price of his stock in the Springfield Life, which was taken over by the Progressive Life.

The contract called for a cash payment of \$10,000 on the part of Renner and monthly payments of \$2,000 thereafter. After making the cash payment, Renner alleged the Progressive Life took over the assets of Springfield Life, transferred the policy contract, thereby rendering his stock valueless, and then repudiated the contract.

Outstanding
by any
STANDARD
COMPARISON

70TH
Anniversary Year
1867 - 1937

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INSURANCE COMPANY
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THE RECORD SHOWS

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THE LAFAYETTE
LIFE INSURANCE CO.

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President Field Vice-President
LAFAYETTE, INDIANA

NEWS ABOUT LIFE POLICIES

New Policies, Premium Rates, Dividends, Surrender Values, and all Changes in Policy Literature, Rate Books, etc. Supplementing the "Unique Manual-Digest" and "Little Gem," Published Annually in May and March respectively. PRICE, \$5.00 and \$2.00 respectively.

Girard Life Has New Rates

Coupon Policies Discontinued, Forms Rephrased; New Nonpar and Par Schedules

The Girard Life announced at the annual agency convention just held in Atlantic City new life rates and revised policies. In general this company has followed the non-participating revisions made by other companies, the level being somewhat increased, although downward revisions occurred on some forms and at some ages. Increases range up to about 20 percent. The 20 payment non-participating rates are unchanged. Some limited payment life rates are lower. Non-participating endowment rates were increased. The company as of Feb. 1 quit issuing coupon policies, all participating forms having first dividend payable at the end of the second year. The participating insurance and income plan was eliminated. In case of policy loans hereafter, policies will be endorsed and returned to insured.

Other Changes Made

Premium rates on the preferred risk plan have been slightly increased and those on limited payment life participating slightly reduced. Participating endowment rates remain unchanged. The whole life non-par rates have been slightly increased at older ages, also the 10 and 15 payment life non-par. The 10 and 15 year non-participating endowment rates were increased and 20, 25 and 30 year non-par endowments remain unchanged, as do the rates for convertible term insurance.

The non-participating insurance and income plan has been changed to bring it in line with general company practices, each initial insurance of \$1,000 being increased in later years and at maturity providing annuity guaranty for 10 years certain and for life. Premiums are the same for males as for females, but the annuity for the latter is slightly smaller because of female longevity at older ages. The Girard is continuing its dividend scale.

Reserve Basis Changed

Rates for 20-pay life, participating, have been considerably reduced, being: Age 20, \$25.40; age 25, \$27.71; age 30, \$30.50; age 35, \$33.94; age 40, \$38.24; age 45, \$43.80; age 50, \$51.23; age 55, \$61.37 as compared to the former rates: Age 20, \$28.58; age 25, \$31.48; age 30, \$35.07; age 40, \$39.57; age 45, \$45.42; age 50, \$53.19; age 55, \$63.84.

Policies show some change in phrasing, and in one plan reserve basis was made more stringent. In policies issued substandard there is no reference

to extended insurance. Substandard will conform to non-par plans.

Some plans in the old rate book have been eliminated because of lack of demand. Illustrative rates for some of the more popular forms that have been changed are:

Age	Preferred Risk				Non Par			
	Per M	End 85	Pay	Pay	Per M	End 85	Pay	Pay
20	15.33	13.94	36.20	26.27	15.33	13.94	36.20	26.27
21	15.69	14.26	36.87	26.74	15.69	14.26	36.87	26.74
22	16.05	14.50	37.56	27.24	16.05	14.50	37.56	27.24
23	16.42	14.93	38.27	27.74	16.42	14.93	38.27	27.74
24	16.83	15.30	39.00	28.27	16.83	15.30	39.00	28.27
25	17.25	15.68	39.77	28.83	17.25	15.68	39.77	28.83
26	17.69	16.08	40.53	29.40	17.69	16.08	40.53	29.40
27	18.15	16.50	41.30	29.99	18.15	16.50	41.30	29.99
28	18.65	16.95	42.13	30.61	18.65	16.95	42.13	30.61
29	19.15	17.41	42.97	31.25	19.15	17.41	42.97	31.25
30	19.70	17.91	43.85	31.92	19.70	17.91	43.85	31.92
31	20.27	18.47	44.79	32.56	20.27	18.47	44.79	32.56
32	20.87	19.05	45.79	33.23	20.87	19.05	45.79	33.23
33	21.51	19.67	46.81	33.92	21.51	19.67	46.81	33.92
34	22.18	20.32	47.89	34.66	22.18	20.32	47.89	34.66
35	22.89	21.02	48.99	35.41	22.89	21.02	48.99	35.41
36	23.64	21.75	50.14	36.18	23.64	21.75	50.14	36.18
37	24.43	22.52	51.33	37.00	24.43	22.52	51.33	37.00
38	25.27	23.34	52.58	37.87	25.27	23.34	52.58	37.87
39	26.16	24.21	53.86	38.75	26.16	24.21	53.86	38.75
40	27.10	25.13	55.20	39.68	27.10	25.13	55.20	39.68
41	28.11	26.11	56.67	40.70	28.11	26.11	56.67	40.70
42	29.17	27.16	58.22	41.78	29.17	27.16	58.22	41.78
43	30.31	28.27	59.92	42.91	30.31	28.27	59.92	42.91
44	31.50	29.44	60.67	44.09	31.50	29.44	60.67	44.09
45	32.79	30.70	62.18	45.32	32.79	30.70	62.18	45.32
46	34.16	32.04	63.75	46.57	34.16	32.04	63.75	46.57
47	35.61	33.47	65.39	47.87	35.61	33.47	65.39	47.87
48	37.16	35.00	67.09	49.27	37.16	35.00	67.09	49.27
49	38.81	36.62	68.88	50.69	38.81	36.62	68.88	50.69
50	40.57	38.36	70.73	52.21	40.57	38.36	70.73	52.21
51	42.44	40.12	72.57	53.80	42.44	40.12	72.57	53.80
52	44.43	42.01	74.37	55.48	44.43	42.01	74.37	55.48
53	46.56	44.02	76.32	57.27	46.56	44.02	76.32	57.27
54	48.83	46.17	78.33	59.15	48.83	46.17	78.33	59.15
55	51.25	48.45	80.43	61.14	51.25	48.45	80.43	61.14
56	53.82	50.91	82.56	63.26	53.82	50.91	82.56	63.26
57	56.52	53.52	84.77	65.50	56.52	53.52	84.77	65.50
58	59.30	56.32	87.11	67.91	59.30	56.32	87.11	67.91
59	62.16	59.20	89.54	70.46	62.16	59.20	89.54	70.46
60	65.10	62.50	92.11	73.20	65.10	62.50	92.11	73.20

Age	Participating				Participating			
	Pay	Life	Pay	Life	Pay	Life	Pay	Life
20	40.23	29.68	25.40	40	59.33	44.16	33.24	39.24
21	40.88	30.17	25.48	41	60.70	45.23	33.23	39.23
22	41.57	30.69	26.28	42	62.15	46.36	40.28	40.28
23	42.27	31.21	26.74	43	63.65	47.55	41.40	41.40
24	43.00	31.75	27.20	44	65.21	48.80	42.56	42.56
25	43.77	32.33	27.71	45	66.83	50.09	43.80	43.80
26	44.56	32.92	28.22	46	68.52	51.47	45.12	45.12
27	45.37	33.52	28.75	47	70.28	52.91	46.51	46.51
28	46.23	34.16	29.32	48	72.11	54.42	47.99	47.99
29	47.10	34.82	29.89	49	74.03	56.03	49.56	49.56
30	48.02	35.52	30.50	50	76.02	57.70	51.23	51.23
31	48.97	36.23	31.13	51	78.07	59.46	52.99	52.99
32	49.96	36.97	31.78	52	80.24	61.32	54.89	54.89
33	50.98	37.75	32.46	53	82.49	63.29	56.92	56.92
34	52.05	38.57	33.18	54	84.82	65.37	59.06	59.06
35	53.15	39.40	33.94	55	87.26	67.58	61.37	61.37
36	54.29	40.26	34.70	56	89.83	69.92	63.84	63.84
37	55.48	41.18	35.53	57	92.49	72.40	66.46	66.46
38	56.72	42.13	36.40	58	95.31	75.06	69.23	69.23
39	57.99	43.12	37.28	59	98.26	77.88	72.16	72.16
				60	101.36	80.91	75.24	75.24

Midwest Life Puts Small Policies on Non-Medical

The Midwest Life of Lincoln, Neb., announces that it will put all applications on a non-medical basis, on persons 45 years of age or younger, for insurance up to \$2,500, subject of course to limits prescribed by the laws of the state in which it operates. Up to four years ago it did no non-medical business. Within the past four years it has experimented with non-medical underwriting on a limited number of policies.

In view of its own favorable experience and the increasing favor of non-medical underwriting at the younger ages and on the smaller limits of issue, the company has decided to adopt the uniform non-medical practice within the limits announced.

Prudential Single Premiums

The trend toward single premium policies is growing more pronounced every day. While this is an excellent testimony to the stability of life companies, it can also prove troublesome to the investment departments. The first move to forestall a great influx of money was withdrawal of investment type policies.

Next there was a reduction in amounts of single premiums that would be accepted. Now the Prudential announces an increase in single premium rates averaging slightly above \$15 per \$1000. Some of the new rates are shown:

Age	10 Yr.				20 Yr.				25 Yr.				30 Yr.				End.			
	Life	End.	Life	End.	Life	End.	Life	End.	Life	End.	Life	End.	Life	End.	Life	End.	Life	End.	Life	End.
15	309.18	834.54	634.99	559.49	496.94	371.60														
20	337.36	835.08	636.46	561.72	500.37	411.95														
25	369.08	835.41	637.32	564.34	505.01	458.42														
30	405.94	835.66	640.13	568.99	513.10	513.10														
35	449.56	836.50	645.27	578.18	527.72	578.18														
40	499.88	838.38	654.77	594.00	551.21	654.77														
45	555.98	841.77	670.12	618.20	585.16	743.80														
50	616.38	847.28	692.90	652.26	629.99	847.28														
55	679.29	855.69	724.40	696.39	684.05	847.28														
60	742.52	867.94	764.81	748.76	748.76	847.28														
65	803.79	884.92	812.36	812.36	812.36	847.28														

Northwestern Mutual Changes

The Northwestern Mutual in a circular informs agents that for the option settlement year commencing with the anniversary of the settlement falling in 1937, the dividends allowed under options would be based on interest at the rate of 3.5 percent, but that for cases not subject to cash withdrawal the rate would be increased to 3.75 percent. The company says that because of the wide variety of endorsements and differences

in policy provisions relating to rights of commutation and withdrawal, agents should avoid making statements that the effective rates will in any case exceed the basic 3.5 percent.

Ohio National Dividends

The Ohio National of Cincinnati will continue its present dividend schedule for the year beginning April 1. It decided to continue the present interest rate of 3.75 percent on sums left with the company and on dividend accumulations.

Central States New Form

The addition of a new monthly income policy was announced recently by Central States Life of St. Louis. "The Adaptable Income Provider" is its bid to take advantage of the rising public interest in security on the monthly income basis, and is the latest expansion of the salary continuance plan. The company says: "The 'Adaptable Income Provider' is a development of the ordinary life plan with additional insurance during the first 20 years, a provision which allows extra income while the family is young. The choice of four settlement options is offered the benefi-

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THE BOURSE PHILADELPHIA

HARRY S. TRESSEL
Certified Public Accountant and Actuary
10 S. La Salle St., Chicago
Telephone Franklin 4628

I Am Tired of—

- I am absolutely sick and tired of just exactly a dozen things. They are:
1. Testimonial dinners.
 2. Imitations of Mae West.
 3. Anniversary contests.
 4. The expression "He's doing a swell job."
 5. Low interest rates.
 6. High taxes.
 7. Relatives in business.
 8. Secretaries who say "Have you an appointment?"
 9. Strangers who sign letters "Cordially yours."
 10. Super-colossal movies.
 11. Inter-office telephones.
 12. All toastmasters except Ernest Palmer.

—H. J. B.

clary, each guaranteeing a check every month for a definite number of years and months. The options are graded from \$10-a-month for 20 years (per \$1,000 of insurance) to \$17.09 per month for 10 years. The minimum policy issued is 1½ times the unit, or \$15-a-month income, and \$1,500 of ultimate lump sum insurance.

"At the end of the initial 20 years, the contract automatically becomes a \$1,000 ordinary life with the premium reduced to the ordinary life rate for the original age at issue."

AGENCY NEWS

Moore & Summers Agency Uses Four Group Leaders

BOSTON, Feb. 4.—The Moore & Summers agency of the New England Mutual Life here, which will lose its director of sales when H. D. Cooley goes to Portland, Me., as general agent March 1, announces a novel plan of operation for the future. Instead of naming a new director of sales the agency will substitute in its place four group leaders who will be responsible for the new business. This responsibility will fall upon A. C. Kenison, E. A. Hoffman, W. I. Wadsworth, and a fourth to be named later. A "Cooley Month" is being planned for February in honor of Mr. Cooley. The entire agency organization has been divided into two teams headed by R. W. Moore, Jr., and M. G. Summers individually and a contest for new business on the basis of stock market activities has been arranged. Inasmuch as the agency has broken every company record during all the time Mr. Cooley has been with the agency, the new teams have a hard task ahead to make a new mark.

On Feb. 27 a testimonial dinner will be tendered Mr. Cooley on the eve of his departure for Portland.

The Moore & Summers agency has 24 full time men each of whom produced \$100,000 or more of business last year.

Clark Agency's Dinner Dance

The Paul F. Clark agency of the John Hancock Mutual Life in Boston held its annual dinner dance Jan. 30. C. W. Wyatt was chairman.

Members of the agency governing board for 1937 are: R. B. Pitcher, president; H. J. Scheirer, president; Mrs. Mahala C. Russell, vice-president; Pliny Jewell, Jr., treasurer; Mrs. Katherine M. Walter, assistant treasurer, and William A. McCarthy, secretary.

Dinner for Portland Agency

T. J. Binder, Oregon general agent Equitable Life of Iowa, gave the annual banquet for his staff in Portland. Seven members of the Oregon staff have qualified in the company's agency club, the largest membership in the history of the agency. L. J. Beauchage is leading in the App-a-Week Club, having written one or more applications every week for 12 years.

Hear Social Security Director

H. H. Rauch, director of unemployment compensation of the social security board for the Milwaukee district, spoke on "The Social Security Act and Its Problems" at the monthly meeting of the Milwaukee Equitable Club.

INDUSTRIAL FIELD NEWS

Tampa Life Managers Meet

W. V. Walker Vice-president of the Life & Casualty of Nashville, Gives Chief Address

BY W. M. CHRISTENSEN

The Tampa Life Insurance Managers Association held its annual dinner last Friday evening, about 250 being present. Mayor Clancey gave the welcome address. Among the home office executives present were E. L. Phillips, secretary Gulf Life of Jacksonville, Fla.; L. B. Robey, agency director Gulf Life; C. G. Snead, secretary and treasurer, and J. F. Bryan, vice-president Independent Life of Jacksonville and W. V. Walker, vice-president Life & Casualty of Nashville. Mr. Walker was the chief speaker, taking as his subject "Economic Progress." E. F. Ross, manager of the Independent Life & Accident, the chairman, presided.

Record of Accomplishment

The organization has accomplished very much in putting industrial business on a higher basis and eliminating much unfair competition. The membership in the Tampa Life Underwriters Association, the largest in the state, consists of 65 percent industrial men. M. R. Williamson is vice-president of the managers' organization and J. A. McKee is secretary and treasurer. A. W. King is chairman of the board and acted as chairman of the entertainment committee. The following companies have their managers in the organization: Carolina Life, Gulf Life, Independent Life & Accident, Life & Casualty, Metropolitan Life, Peninsular Life, Prudential, Southern Life & Health and Industrial Life & Health.

Palmetto State Annual Meeting

At the annual meeting of the Palmetto State Life at Columbia, S. C., Commissioner Sam B. King pointed out that in 1932 the company carried 20,000 policies with insurance in force of \$3,750,000, while at the close of 1936 it had 60,000 policies with insurance of \$8,750,000 in force, an increase of \$5,000,000.

A. B. Langley, president of the Carolina Life, which assisted in promoting the Palmetto State, said he has watched his company's "child grow into vigorous manhood" with keen interest. He pointed out that South Carolina companies declared no moratoriums during the depression and met all cash and loan obligations promptly and in full. W. E. Atkinson of Orangeburg, chairman of the board, presided.

Help Flooded Areas

Assistant Vice-President Guilford Dudley, Jr., of the Life & Casualty of Nashville took doctors and nurses from the Nashville Red Cross to assist at Louisville. G. W. Quinstoll is district manager there. They are also endeavoring to get in touch with District Manager Floyd Lovelace at Paducah, Ky. The Life & Casualty had one entire debit under water at Nashville and a number of others partially.

Prudential Promotions Made

Four Men Have Risen in the Agency Ranks and Are Now Superintendents

E. H. Jones has been promoted to superintendent of the Oklahoma City, district of the Prudential. He had been an assistant superintendent at Pittsburg, Kan., where he enrolled as an agent in 1929. John H. Sullens, formerly superintendent of that district, retired recently.

LeRoy Taylor, a former assistant superintendent at Paterson, N. J., is now superintendent of the Newburgh, N. Y., district. He started with the Prudential as an agent in 1922, in Paterson and three years later he was promoted to assistant superintendent. The Newburgh office was formerly under the direction of the late F. L. Shurter.

John H. Tomlinson is the new superintendent of the San Francisco No. 1 district. He was promoted from assistant superintendent, having been a member of the staff of the Los Angeles No. 5 office. He was enrolled as an agent in 1927 in the Los Angeles No. 5 district, and on Aug. 3, 1931, he was promoted to assistant superintendent there. The former superintendent of San Francisco No. 1, C. S. Cook, is now a superintendent at Los Angeles.

M. C. Trevithick has been promoted to superintendent of the Toledo No. 3 district. He was formerly an assistant superintendent at Detroit No. 3, having started his Prudential career in that city as an agent in 1926. He was promoted to assistant superintendent in 1929. H. N. Ulsh, former superintendent Toledo No. 3, has been transferred in the same capacity to Detroit No. 2.

John Hancock at Schenectady

The John Hancock industrial office in Schenectady held a special celebration last week following the complete renovation of its quarters in the Parker building. District Manager Phillip Preihs, has been there for 21 years or during one-half his years of service with the company. The new quarters have been made very attractive and have been provided with new furniture. At the celebration, district managers from neighboring towns and cities were present as well as representatives from the home office.

Fazio Goes to Boston

R. Fazio, who has been manager of a Metropolitan Life office in Providence, has become manager of a Boston district, succeeding Paul Pederzanni, who goes to Providence to succeed Mr. Fazio.

Burton Talks in Tampa

A. M. Burton, president of the Life & Casualty, spoke to the agents and employees of the Tampa district at their annual banquet.

"Our growth last year was equal to the growth of the company in its first 18 years, and I believe that 1937 will be even better, especially in the Tampa district," he said.

Mr. Burton, making his annual visit over the south, said he found business improving.

Has New Industrial Office

The Great American Life of San Antonio, has opened its second industrial district at Corpus Christi, Tex., under Manager R. H. Swann. In its first year the industrial department, operating one district only in San Antonio, has issued more than 11,000 industrial policies.

E. J. Wallace Transferred

E. J. Wallace, district manager of the Union Life of Richmond at Petersburg, Va., for the last five years, has been

transferred to Richmond as district manager. He recently completed 15 years with the company. Prior to his service in Petersburg he was head of the Suffolk district.

Govan Succeeds Dunlap

Replacing K. L. Dunlap, who was transferred to Nashville, the Prudential has appointed E. P. Govan assistant manager of its Memphis, Tenn., branch. He entered insurance four years ago.

Industrial Notes

E. L. Coakley, Kansas City manager of the Missouri Life for nine years, died at the age of 53. He was formerly manager at Chicago.

The *Cuna Mutual Society of Madison, Wis.*, has been licensed to write industrial life insurance in Minnesota.

L. N. McAfee, manager Metropolitan Life, Fort Smith, Ark., has begun his second term as president of the Boy Scout council there.

Charles Seman, 59, for 34 years with the Prudential and formerly assistant superintendent of the Columbus, O., agency, died at his home there.

Leads Federal Life Agencies

H. C. Voorhies ranked first among the 15 leading agencies of the Federal Life for volume paid during 1936. R. C. Davisson of Detroit was second, R. B. Oshier of San Francisco, third, H. C. McCann of Bay City, Mich., fourth, and P. M. Edge of Charlotte, N. C., fifth.

The E. F. Faner agency of Peoria, Ill., ranked first in the Federal Life accident and health department in 1936 on a quota basis. The office wrote more than four times the premium volume assigned to it, and had 425.81 percent of the quota. S. H. Birgel of Chicago ranked second with 307.06. J. D. Thomas of Lima, O., was third with 168.95; J. L. Wimbish, Orlando, Fla., fourth with 162.97; F. C. Reed, Marshalltown, Ia., fifth, with 151.85 percent; G. E. Meier, Peoria, sixth, with 147.54, while five others exceeded their premium quotas.

In paid volume the past year Mr. Reed ranked first, R. B. Oshier of San Francisco, second; Mr. Meier third, H. C. Voorhies of Chicago fourth, and P. M. Edge of Charlotte, N. C., fifth.

Benefit Concern Head Indicted

Morris Foreman, president of the Penn-Jersey Beneficiary Association, a Delaware outfit, was held in \$2,000 bail by the grand jury for allegedly operating illegally in Pennsylvania. Representatives of the state insurance department appeared against Foreman, claiming he had been making collections many months from policyholders but did not have a license.

Mr. Foreman's attorney claimed that he was unaware that agents were issuing policies outside of Delaware. Mr. Foreman denied the signature appearing on several policies produced by the state department. The department claimed that the outfit kept offices in Camden until it was forced out of the state, and then opened up in Delaware.

Bradford Walker Club Meets

The Bradford Walker Club, composed of leading ordinary producers of the Life of Virginia, held a three-day sales meet in New Orleans. C. A. Taylor, actuary, in a talk stated the social security act would give life insurance sales in 1937 great impetus. Speakers included President B. H. Walker, J. E. Woodward, vice-president in charge of ordinary agencies; W. H. Lockett, C. C. Fleming and H. C. Dodson. C. C. Ward, Rocky Mount, N. C., received the Walker trophy.

Sales Course for See

F. M. See, St. Louis general agent for the New England Mutual Life, is holding a sales course in February.

Gordon Abbot, well known Boston banker, who was a director of the New England Mutual Life and Metropolitan Life, died the past week.

TEAM MATES IN THE FIELD OF COMPLETE INCOME PROTECTION

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LEGAL RESERVE FRATERNALS

Hadley Speaker in New York

President of N. F. C. Addresses State Congress Session; Deming Elected President

NEW YORK, Feb. 4.—Officers elected at the annual meeting of the New York Fraternal Congress held here are: president, Ernest Deming, Unity Life & Accident, Syracuse; vice-president, S. M. Goldsmith, Free Sons of Israel, New York City; secretary-treasurer F. S. Faye, New York City; executive committee: W. D. Benedict, Modern Woodmen; Joseph Rossbottom, Independent Order of Foresters; R. L. Dilly, Ben Hur Life; Ross Weiss, Women's Sick & Death Benefit Fund; J. E. Long, Woodmen of the World.

President S. H. Hadley of the National Fraternal Congress, head of the Protected Home Circle, Sharon, Pa., was the principal speaker.

N. F. C. President Speaks

Stressing importance of cooperation among the societies, Mr. Hadley stated that while fraternalists have earned their place in the insurance structure of the country, they must work hard to keep it. He urged less reticence on their part and more active interest in legislation. He sketched briefly the history of the fraternal benefit system in the last seven or eight years, reporting the actual loss of only one society and merging of a few small groups. Only one out of 92 fraternalists in the country borrowed money from the RFC, he said.

Retroactive taxation is by far the most serious problem facing the fraternalists, he said. However, the outlook is brighter as suits against fraternalists for back taxes to date have been won by them. It is a matter which requires constant surveillance, he warned.

Mr. Hadley reported on the status of

fraternalists under the social security act, telling of the special meeting in Chicago some time ago and appointment of a special committee to present the matter to the social security board. Decision has not been secured. Societies are much concerned about the possibility their solicitors will be ruled as employees subject to unemployment compensation tax, for which their setup makes no provision.

Leonard Sanders, secretary Insurance Federation of New York, was a speaker, stressing personal responsibility of all fraternal society members to oppose unfavorable legislation. Referring to the proposed investigation of life insurance in New York state, he stated life insurance was the one institution which weathered the depression. People are insurance-wise, he said. In many cases that is all they have left.

Herman Simon, New York City, read a paper on interest rates and bond yields, predicting an "easy money market to come" and summing up five factors responsible for the present low rate of interest; excess reserve in federal banks, huge federal deficit, invasion of foreign capital in this country, expansion of the monetary basis and lack of industrial demand for credit.

Following reports of presidents of various societies and discussion of problems presented by them, the meeting adjourned. A dinner-dance was held in the evening.

Fraternalists Under U. S. Act

Social Security Program Includes Employees of Societies, Revenue Bureau Declares

Employees of fraternal societies are not exempt from the social security act, the federal bureau of internal revenue has ruled. The question of whether agents of the fraternalists come under the act remains unsettled.

A ruling was requested of the bureau by a committee of fraternalists of which Herman Ekern, president Lutheran Brotherhood and member of the Chicago law firm of Ekern & Meyers, was chairman. The query was brought on the ground that the federal income tax laws exempted fraternalists, but the revenue bureau decided that since the social security act did not carry this exempting clause, it was not the intention of Congress to allow it to the fraternalists.

Have Made Deductions

The case was that involving the Protected Home Circle of Sharon, Pa. The fraternalists have been making the required deduction for their employees while awaiting the ruling. The decree does not necessarily apply to the fraternalists' agents and solicitors, although it was ruled two weeks ago in the case of an old line company that its agents are salaried employees. This question, however, is still undecided for the business as a whole and the fraternalists like others are marking time.

In addition to Chairman Ekern other members of the committee are J. M. Miller, Woman's Benefit Association, Thomas Cannon, Catholic Foresters; D. E. Bradshaw, Woodmen of the World; S. H. Hadley, Protected Home Circle, and Fred Service, attorney for that fraternal.

Wisconsin Fraternalists Meet

Judge Karel Is Re-elected President; R. M. Matthias, Secretary Illinois Congress, Is Speaker

MILWAUKEE, Feb. 4.—Judge J. C. Karel, Milwaukee, president Equitable Reserve of Neenah and former president National Fraternal Congress, was elected president for the fifth time of the Wisconsin Fraternal Congress at its

annual meeting. Twenty-two fraternalists were represented by 70 delegates.

Other officers include A. O. Benz, president Aid Association for Lutherans, Appleton, vice-president; and S. A. Oscar, secretary National Mutual Benefit, Appleton, secretary-treasurer. Members of the executive and legislative committee are Mr. Oscar, Norton Williams, J. M. Callahan, Julius Michalski and Otto Werkmeister.

The meeting went on record favoring legislation to permit persons receiving old age pensions to pay premiums on life insurance policies so that there would be money for the funeral expenses. R. M. Matthias, associated with Ekern & Meyers, Chicago attorneys and secretary Illinois Fraternal Congress, addressed the meeting.

He outlined the federal social security act as it affects the fraternalists, and the possibility of their being exempted from the law. He also discussed the proposed Illinois insurance code, comparing it to the Wisconsin code. Mr. Mat-

thias is a member of the Lutheran Brotherhood.

Press Section Program Given

Editors of N. F. C. Societies to Start Chicago Midyear Session with Breakfast

The Press Section of the National Fraternal Congress will as usual initiate its mid-winter meeting at the Palmer House, Chicago, Feb. 22, with a breakfast. It is scheduled to start at 9 a. m., and reservations may be made directly with the hotel. All N. F. C. delegates are invited to attend. For many years this has been a social event for all friends of the section.

Officers of the N. F. C., including Past President P. F. Gilroy, President S. H. Hadley and Vice-president Dora Alexander Talley, have been invited to speak. At the business session following the

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breakfast, Jim Daley, editor "The Sample Case," United Commercial Travelers, will read a paper on the importance and advisability of "Crusading" for fraternal publications. John Breyfolge, editor "Security Benefit News," Security Benefit Association, has been invited to speak on the relation of the social security laws to fraternal protection. Mrs. Jeanie Willard, editor "Monthly Tidings," Woodmen Circle, and vice-president of the section, will read a brief paper on a subject of interest to fraternal editors. R. B. McCain, editor "The Chariot," Ben Hur Life, Crawfordsville, Ind., is president of the section.

Arkansas Decision Finds Societies Are Tax Exempt

An item in the Jan. 22 issue was incorrect in stating that the Arkansas supreme court had denied appeal of the Modern Woodmen, Maccabees and Woman's Benefit in test case in which judgment was rendered. According to Secretary J. V. Sees of the Standard Life of Lawrence, Kan., this decision was a victory for the fraternalists. The court held the Modern Woodmen was a fraternal benefit society under the Arkansas law, and that the fact that the officers received salaries, the society accumulates reserves and grants non-forfeiture value does not alter its status or make the society subject to taxation on its premium income under the law governing old line life companies. The court went on to say that if fraternalists are to be taxed it is a matter for the legislature and not the courts, Mr. Sees explained.

Illinois Fraternalists Pick Committee to Study Code

John Stock, Maccabees, president Illinois Fraternal Congress, has appointed Hugh Moore, Modern Woodmen, chairman of a committee to study the proposed Illinois insurance code from the fraternal angle. The main subject for consideration is the code's provision on investments of life carriers, especially those relating to municipal bonds.

At the annual meeting of the congress there was considerable objection to the code's provisions on this point. Some fraternalists felt that good municipal securities, because the city was comparatively small in size, would not be available for investment. It was also asserted that ratings by the various market services did not necessarily indicate the permanent worth of the security.

Proponents of the code, however, said that the 1936 fraternal act has stiffer investment regulation than those proposed in the code.

Other members of the committee are: Glendon Knight, Royal Neighbors; Thomas Cannon, Catholic Foresters; W. Below, Fidelity Life; William Mooney, Woodmen of the World; C. J. DelVecchio, Royal League; William Herkenkamp, Western Catholic Union; R. M. Matthias, Lutheran Brotherhood; Nick Murray, Firemen's Mutual Aid & Benefit; F. A. Vider, Slovene National Benefit; J. J. Barc, Polish Roman Catholic; Anna Downes, Women's Catholic Order of Foresters and Arthur Fulton, Security Benefit. The committee will meet Feb. 10.

Mrs. Dora Fullerton Dies

Mrs. Dora Paschen Fullerton, prominent in fraternal life insurance activities, died in Milwaukee after a long illness. She had been state recorder and city supervisor Royal Neighbors, in addition to founding several lodges, one at Hales Corners being named in her honor. Mrs. Fullerton was born in Milwaukee and was 64 years of age. During the world war Mrs. Fullerton devoted much time to Red Cross work.

Turn Fund to Flood Relief

ROCK ISLAND, ILL., Feb. 4.—The entire fraternal fund of the Royal Neigh-

bors, amounting to about \$50,000, will be turned over to refugee members in flood districts, officials announced. This fund, collected by a levy of 10 cents per member, is destined for aid to ill members in need of financial assistance. The clause pertaining to illness will be discarded in use of the money in flooded areas. Mrs. Susie Akers, Rock Island, heads a group of three who will distribute the money.

W. O. W. Annual Figures

Assets of \$124,493,972 as of Dec. 31, 1936, are reported by the Woodmen of the World, Omaha, in its annual statement. Of this amount the association has \$98,000,000 bonds issued by states and political subdivisions, \$7,000,000 government bonds, \$2,000,000 bonds and preferred stocks of public utilities, and \$7,300,000 policy loans. It owns \$1,400,000 real estate, but real estate mortgages total only \$329,000. Cash on hand \$3,500,000. Reserves, including those for contingencies and to take care of fluctuations in value of investments, total \$123,000,000.

Modern Woodmen Hearing

Agency Director Ernest Palmer of Illinois has called a hearing on the Modern Woodmen examination report in Chicago, Feb. 15. It will be remembered

that following the Missouri report, Director Palmer called a convention examination. Participating with Illinois in the examination were Kansas, Minnesota, Oklahoma, Pennsylvania, South Dakota, Virginia, Washington and Wisconsin. The examination was very thorough and very searching.

Approve Mutualization Bill

The Nebraska legislative insurance committee has recommended for passage a bill introduced in the interests of the Royal Highlanders, Nebraska fraternal which will permit fraternalists to change to mutuals without going through the intermediate stage now required by law of becoming cooperatives. W. E. Sharp, head of the Royal Highlanders and one of the founders, has conducted it on conservative lines. It was one of the first fraternalists to change to an adequate rate base.

Standard Life Manager Dead

JONESBORO, ARK.—E. V. McKnight, 60, district manager of the Standard Life of Lawrence, Kan., died at a local hospital. Born in middle Tennessee Aug. 14, 1876, Mr. McKnight moved to Texas in 1895 where he lived until 23 years ago when he came to Jonesboro to engage in real estate, loan and insurance business.

AGENCY MANAGEMENT

San Francisco for Agreement

Managers Pledge Support for Better Agency Practices Program—Critical Era Is Faced

The San Francisco General Agents & Managers Association pledged support to the National association's "Declaration of Guiding Principles." V. T. Motschenbacher, chairman, said the agency practices agreement has a far-reaching effect and its influence will increase.

He made a strong appeal for unity of action among all managers and general agents in generally improving the caliber of the agent on the ground that the more capable men must be attracted to the business by witnessing the success of those already in it. The business faces a critical era in this respect and some agents who have proved themselves have expressed concern and discontent over others who are obviously unfit and unable to produce an average standard of living income for themselves.

Urges Legislative Support

K. L. Brackett, president of the California State Association of Life Underwriters, reported on the legislative outlook and urged support to the association-sponsored bill increasing the insurance commissioner's salary to \$10,000 a year. He also asked support for measures increasing license fees. If the business is to expect adequate, prompt and efficient service from the department, an adequate revenue must be received, he said. T. A. Gallagher, president of the San Francisco Life Underwriters Association, made a plea for more cooperation in removing undesirable and dishonest agents from the business. Mr. Gallagher said that many agents complained to him that persons known to have been in difficulties with various agencies, even to appropriating premium collections to their own use, have been hired by other agencies. He also urged that managers, when canceling agency licenses with the insurance department, notify the insurance commissioner the cause for such cancellation and that other managers, considering appointment of agents formerly with other companies, confer with the commissioner's office.

H. G. Kenagy, superintendent of agencies, Mutual Benefit Life, will speak at a special luncheon Feb. 9 on "Modern Problems of Agency Planning."

McMillen Is N. Y. President

Succeeds Harry Gardiner as Head of Metropolitan Area Managers Association

NEW YORK, Feb. 4.—Clifford L. McMillen, general agent in New York City Northwestern Mutual Life, was



C. L. McMILLEN

elected president of the New York City Life Managers Association at its annual meeting, succeeding Harry Gardiner, general agent John Hancock Mutual Life. Harry F. Gray, general agent Connecticut Mutual Life, and H. L. Wocord, manager Prudential, were elected vice-president and secretary-treasurer respectively.

A resolution to incorporate the association was adopted. The only remaining step is to submit the incorporation plan to the state insurance department for its approval. Incorporation will involve no substantial change in the present setup, the principal difference being that the governing body will be a board of directors rather than an executive committee.

The entire session was given over to business matters. The scheduled speech on "I Am a General Agent—So What?"

by Arthur Schmidt, general agent New England Mutual, was not given because of the time taken in ironing out all details of the incorporation plan.

Banker Views 1937 Outlook

The Life Insurance Managers Association of Los Angeles at its luncheon meeting, with President W. T. Shepard, Lincoln National, as chairman, had as its speaker J. R. Douglas, vice-president Security-First National Bank of Los Angeles, who discussed "Business in 1937." He expressed conservative optimism as to the outlook for continued improvement in business conditions. He expressed deep appreciation of the value of life insurance and annuities in times like the recent depression. He referred to the social security act as a measure which should influence people to purchase additional life insurance.

Kelly Speaks in Washington

E. C. Kelly, Jr., conservation supervisor Home Life of New York, was guest speaker at the Life Managers Association meeting in Washington this week. He has been in charge of the company's quality program which has encouraged more selective underwriting by agents. He demonstrated use of the quality rating chart.

Milwaukee Managers Elect

Frank Hughes, general agent Mutual Benefit Life, was elected president at the annual meeting of the Milwaukee Life Managers & General Agents Association. He succeeds Harry Richey, Travelers. Hillis Rhyen, Guardian Life, and Ralph Holvenstot, Security Mutual, are vice-presidents; Clarence Thiele, Continental Assurance, secretary, and Arthur Butzen, Massachusetts Mutual, treasurer. The local association went on record to support the national movement to eliminate part-time agents in urban centers and to eliminate unfit agents.

Stagg Columbus President

W. P. Stagg, agency director New York Life, has been elected president of the Life Managers Association of Columbus, O. Stanley Coffman, Connecticut Mutual, is vice-president and R. F. Wagenhorst, Acacia Mutual, secretary-treasurer.

Myron C. Graff of the Bankers Life spoke on "Finding the New Man" and Franklin Toops of the Travelers discussed "Stimulating Old Organization."

Uticans Hear Batty

Norman Batty of the Prudential will address the February meeting of the Life Insurance Managers & General Agents Association of Utica, N. Y., on "Training New Agents and Getting the Men into Early Production." The chief speaker at the January meeting was J. N. Kenyon, Northwestern Mutual.

Philadelphia Company Sued

PHILADELPHIA, Feb. 4.—Attorney-General Margiotti has started suit in common pleas court here in an attempt to collect more than \$1,000,000 from the Pennsylvania Company for Insurance on Lives and Granting Annuities. The suit was instituted to protect the interests of approximately 12,000 policy claimants of the defunct Independence Indemnity. In addition the state is a preferred creditor for about \$165,000.

Margiotti contends that a portion of the \$1,000,000 represents securities of the Independence Indemnity which the Pennsylvania Company permitted the International Reinsurance to convert to its own use. The balance represents cash and securities belonging to the Independence Indemnity, which Margiotti contends the Pennsylvania Company improperly appropriated preferentially to pay its own claims, thus depriving creditors of the Independence Indemnity of their rights.

In spite of its name, the Pennsylvania Company is not a life insurance company but an investment trust proposition, operating substantially on the old building and loan plan.

SALES IDEAS AND SUGGESTIONS

Many Pointers Learned at Texas Sales Congresses

Keynote of the Texas sales congresses held at Houston, San Antonio and Dallas was practical application of principles governing correct underwriting practices and methods of work which have brought success to leading producers and managers. Speakers illustrated from their experiences principles to be applied.

The objective of every sales presentation was treated by P. O. Works, St. Louis, Penn Mutual Life general agent, whose theme was "Closing." The close was defined as "the successful termination of a well planned interview which follows easily and naturally." The four steps leading to the close were listed as: Conviction, confirmation, asking the prospect to buy and getting the check.

Conviction must first exist in the mind of the salesman, Mr. Works stated. From his own experience and studies of records of other producers, he concluded a man sells the program which he has a conviction is good for himself.

To Win Confirmation

Confirmation comes from allowing the prospect to answer questions and permitting him to voice his own desires and ambitions. The actual confirmation which results in buying is from securing enough affirmative answers to logical questions asked without affectation. Mr. Works urged agents give the client opportunity to buy when affirmation indicate confirmation.

The weakness of many life underwriters is talking too much and not giving the prospect opportunity to answer questions and failing to ask the prospect to buy. Here he stressed that prospects do not seize applications and begin filling them and if the life man is to render the service which he should he must make it easy for the person granting the interview to buy.

After asking the prospect first to confirm the agent's conviction, then confirming what the agent believes is his desire, and asking the prospect to buy, he exhorted the men to secure a check that the sale might be completed through placing the policy in effect as soon as the application has been approved. He pointed out dangers of tragic consequences arising from a failure to secure the check at the conclusion of the interview.

Kibrick's Talk

Need for recognition of prospects was treated by Isaac Kibrick, Brockton, Mass., New York Life producer, under the subject of "Creative Prospecting." He stated selling small policies is a preparation for selling large ones and needs of the small and large buyer are the same, and the only difference is in the attitude of the two toward asking questions concerning stability of the company. The small buyer, he stated, asks questions and the salesman must answer the unvoiced questions of the larger buyer.

The sales presentation must be so simple in the interview with a prospect for a large policy that it will sell a small policy, he said. Motivation he declared to be the same whether a man is a prospect for a small or large policy.

Creative prospecting requires recognition of a prospect where he is, and he gave as steps necessary, selection of a list of names of people in a position to buy, checking on this name until the

agent knows the situation and needs of the person designated so well that he can visualize them as his own. In this connection, he showed how a man may be built into a prospect through an experience of his own, in placing the name of a large manufacturer in his file, with the thought this man was not a prospect for him as a beginner. He kept studying the prospect's changing situation and varying needs until when he did seek an interview seven years later he knew intimately the man's life and sold him an exceptionally satisfactory policy from the standpoint of size as well as one which provided intelligently for specific needs, definitely outlined.

Jaqua Also Speaker

Elements in successful life underwriting were discussed by A. R. Jaqua, Cincinnati, associate editor Diamond Life Bulletins, under the heading, "Why Men Succeed." Life selling he described as all liberty and no security, yet no vocation now known to man will take less liberty and give more security. He emphasized absence of age as a factor in success, there being men around 70 who are in the top rank of producers; income from renewals, a thing not to be found in any other work; building a clientele which no one can take away; possibility of changing the center of one's work and the comparatively rapid building of a clientele in a new city.

With these features in view, the speaker answered the question of why men fail by stating the reason for failure is mistaking liberty for license. Life insurance success requires ability to create a system which manufactures work and the difference between the work of the life underwriter and the man in other work is an insurance agent reaches his desk in the morning he finds a vacuum while the other

worker finds his work laid out for him, Mr. Jaqua said. Leaders in the field are those who make definite, precise, and conscious effort to get acquainted with business leaders, because it is upon contacts with men in a position to buy who create a business for the life man.

Other Speakers

Other speakers were: Ricks Strong, president Texas Life Underwriters Association, who made a plea that all life underwriters come into the organization and make it as effective as the medical associations and the bar association. O. S. Cummings, vice-president National Association of Life Underwriters, who paid tribute to the speakers, who with no possibility of personal or company gain had come into Texas to bring their messages. R. L. Daniel, chairman Texas insurance commission, who outlined results of efforts of the department through inspectors in the field to eliminate the unfit and dishonest agents. He also spoke of difficulty of securing prosecution in some sections and asked cooperation. He expressed the hope that an examination of some form may be set up as requirement for securing licenses. H. J. Johnson of Pittsburgh spoke on "Approaching Your Potential."

Presiding officers of the congress held at Houston, were J. M. Abell, president Houston Association of Life Underwriters and C. F. Hanson, Lincoln National Life general agent; San Antonio; Matthew Brown, president of San Antonio Association of Life Underwriters; and O. P. Schnabel, immediate past president Texas Association of Life Underwriters.

The Houston Leaders Round Table held its annual banquet with W. H. Winn, chairman, and Mr. Abell, toastmaster. Speakers were: E. D. Shepherd, Jr., president Houston General Agents and Managers Association; R. L. Natus, Mr. Kibrick and Mr. Johnson.

After the San Antonio congress, O. P. Schnabel, Jefferson Standard Life, served quail and venison and had Mexican food for those who desired it.

At the Dallas congress, Mr. Cummings served a dinner. He is Texas manager for the Kansas City Life.

Needs for Life Insurance Under Pension Plan Told

From the standpoint of life insurance protection the social security act makes no inroads as its death benefits are disappointingly small, and it is not a substitute for life insurance, C. J. Zimmerman, New Jersey general agent for the Connecticut Mutual Life, told the Trenton, N. J., Life Underwriters Association at a luncheon-meeting.

The best prospects are the 23,500,000 persons who do not come under the terms of the act. "This vast group will become acutely conscious of the need of providing old age pensions because in a society where old age pensions are the rule rather than the exception, no one will want to be classed with those unfortunate few who do not have a pension."

Life Insurance Advantages

In comparing the many advantages of life insurance over that of the social security act, Mr. Zimmerman pointed out that in periods of need the reserves on life insurance policies are available. The experience of the last depression indicates that perhaps this is the only money which may be available at a time when it is most needed.

Another point to stress, said Mr. Zimmerman, is the waiver of premium benefits. In life insurance the waiver of premium clause carries on the pension fund just as though the policyholder were gainfully employed and making the deposits.

There is a need of supplementing the government pension by individual plans. School teachers who have for many years been working under a pension set-up are among the best prospects for the sale of retirement income or annuity policies because they are definitely conscious of the retirement problem and realize that their pension will be inadequate and, therefore, that it must be supplemented through other means.

Consider Specific Needs

In the case of a large buyer of life insurance, the social security act will have no effect unless it be to increase his purchase of life insurance and retirement policies because he is more conscious of the need of this protection. In the case of the smaller buyer who stands to benefit under the social security act, "we must stress protection and recommend policies which will either become paid up at age 65 or term insurance which will give him a maximum amount of life insurance protection at a time when most needed. We must emphasize needs for this prospect," said Mr. Zimmerman. "Talk income insurance and specific needs to him. Stress the fact that he may wish to or have to retire before age 65. The government makes no provision for this and he will have to make such provision himself. There is no substitute for life insurance, as it protects him and his dependents, furnishes him with money when needed and helps to continue carrying on his savings and protection plans, because of his disability, he is unable to do so."

population, those working for the government, city, county, state, school board or any political sub-division. Professional men and women, self employed, such as doctors, dentists, lawyers, architects, chiropractors, osteopaths, etc. are excluded. Independent contractors are also excluded. The man operating his own business is excluded. If these people believe that an old age income is a good thing for wage earners, then it would seem an old age income guaranteed by a life insurance company would be a good thing for them.

Old Age Income Still a Problem

The problem of providing retirement income at 65 is a real one, as two out of three men at age 25 will still be living at age 65 said Alvin Moser, sales supervisor, at the sales congress of the Aetna Life's Mielenz agency in Milwaukee. The maximum income under the social security fund is \$85 a month, starting at 65. No one will receive it for 43 years because taxes are paid on only the first \$3,000 of any year's wage or salary, and to receive the maximum of \$85 a month, a person must pay taxes on \$129,000 earnings. The man whose earnings have been sufficient to receive the maximum will not be satisfied to retire on \$85 a month. Whatever the income is, it will need supplementing. Those who retire prior to Jan. 1, 1942, will not receive an income from the social security fund.

The social security act and the necessity of a guaranteed income in old age have been so advertised and stressed that it will almost be demanded and the only place to arrange for it will be through a life insurance company annuity, said Mr. Moser. Those who retire within a few years after 1942 and have been covered by the social security act, will receive only a small income. A man now aged 55 making at least \$3,000 a year will have a monthly income at 65 of only \$37.50.

The social security act was never intended to replace life insurance. It is not payable at death and the sum at maturity is only slightly more than the taxes actually paid by the worker. After 65 the payments received by the worker are deducted from the balance and then he is paid. This program does not replace life insurance, which is still needed to provide for those dependent on the worker in case of premature death. The cash value at the same time can be used to guarantee a life annuity in later years. Life insurance policies have emergency values, cash or loan. In case of total disability under certain conditions the premium can be waived, cash values still accumulate for retirement and no deductions are made in case of death. Under social security act the worker contributes only on wages he actually receives. If time is taken off for travel, sickness or unemployment and there are no earnings, the worker's income at age 65 is reduced.

Large Number Excluded

A very large number of earners are excluded from the benefits under the social security act. They include some of those who buy the largest volume of life insurance. Excluded are farmers and farm workers, and there are about 40,000,000 of them or nearly 1/3 of our

Lapses Prominent by Their Absence

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persistence records than later surrenders.

In view of the small average size of policies written since the onset of the depression and the high percentage of them bought on the quarterly or semi-annual basis, the persistence they have shown is all the more remarkable. Just as excess mortality appears to be inexplicably tied up with jumbo policies, so is excessive lapsation a traditional trouble of small policies and those paid quarterly or semi-annually.

Increase of Insurance in Force

The increase in total insurance in force is about 3.46 percent over what it was at the close of 1935 and should serve to offset any feeling of dissatisfaction on the part of those in the business on account of the slightly smaller paid-for volume as compared with last year. Lapsation figures are of particular interest to general agents and managers and the increase of insurance in force is very gratifying to them.

For example, a representative agency, doing about \$5,000,000 business a year and having around \$45,000,000 insurance in force showed a gain of insurance in force at the close of 1936 of \$700,000, although production was down from last year and somewhat below the agency's average for the last ten years. In 1929 this office's outgo from deaths, maturities and surrender values totaled \$2,000,000. In spite of the depression the figure dropped to around \$1,000,000 for 1930 but in 1931 shot up to nearly \$4,000,000. The outflow reached its peak in 1932, with \$5,600,000 and was only slightly less in 1933, although it dropped to \$4,300,000 in 1934. The decline in outgo continued with \$3,200,000 in 1935 and slightly over \$2,000,000 for the year just ended.

E. S. Brigham Heads the National Life

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the sale of new insurance, of insurance in force, in assets and in surplus. Though Montpelier is remote from other insurance centers, Mr. Howland, like his predecessors, kept the National in the front rank among mutual legal reserve companies. He has been one of the active members of the Life

Presidents Association, twice presiding at the annual conventions in New York City, and has served on the executive committee for the last 16 years.

Mr. Howland attended Phillips Andover Academy for two years, then entered Dartmouth college and was graduated in the class of 1887 with Phi Beta Kappa rank just 50 years ago in June. For 10 years he was an alumni trustee of Dartmouth which in 1933 gave him the honorary degree of LL.D. He was admitted to the Vermont bar in 1890. He began practice in Minneapolis in 1891 but returned shortly to New England, soon becoming a member of the law firm of Dillingham, Huse & Howland in Montpelier.

He also held a number of state offices from 1888 until 1902. In 1903 he was appointed counsel for the National Life following the death of his partner, H. A. Huse. He became vice-president and counsel in 1909, and president in 1916. In 1910 he was appointed chairman of the commission to revise Vermont's banking laws. He is a director of the Central Vermont railway, the Montpelier & Wells River railroad and the Union Mutual Fire.

Under Mr. Howland's presidency, the National Life's premium income jumped from \$7,100,338 in 1916 to \$16,820,122 in 1936. Total income went from \$11,076,302 to \$33,469,742, while assets went from \$66,426,040 to \$187,774,530, approximately tripling during his administration.

All of the other officers of the company were reelected. In addition Andrew J. Blackmore was assigned the title of assistant actuary, and Norman J. Ewen, the title of assistant cashier.

Take Precautions Against Epidemics in Flood Area

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officials say that water must be boiled for at least ten minutes. Water has not as yet been pumped in through the pumping plant into the mains but probably will be by the end of the week. With mains having been emptied of water and with water having been put into these empty mains from reserve reservoirs, dirt which has accumulated in pockets of the mains is thus stirred up by the low pressure and changing pressure and this in turn is carried into homes and other users of water. It is also possible that water from the flooded river has entered into the mains at certain points carrying with it a certain amount of potential disease germs.

At a meeting early this week of the pediatricians at the Children's Hospital in Cincinnati, it was decided to advise all patients to continue to boil water for drinking, cooking and washing purposes for six months, as it was felt that the germs capable of carrying typhoid and other diseases would remain prevalent in the water supply for at least a portion of that time and that the city itself would not be rid of the danger of a typhoid epidemic for at least six months. Undoubtedly some doctors have become over careful with the thought of impressing on their patients the danger.

Boil Drinking Water

During the past 10 days there has been an ample supply of drinking water in the city, but this has had to be boiled for ten minutes before it could be used and the city is still urging that this be done. However, the supply of water for sanitation purposes has been very limited and a large amount of river water has been used for this purpose as well as water after being used for washing has been thrown into toilets for flushing purposes. It is possible for this water to have seeped or be siphoned back into the regular water system providing that valves on toilets were not adequate. If this has occurred to any large extent it is possible that a supply of this dirty water has reached the mains of the city and will eventually be pumped into the houses out of faucets.

While no epidemic of any proportion is expected all hospitals and doctors are taking precautions to care for one should it arise and are urging everyone whether they have been in contact with flood waters or not to be immunized against typhoid. As a matter of fact all hospitals have a smaller number of patients right now than is usual but they anticipate a large number of patients within the next month.

General health conditions of the city seem to be at a higher level than is usual at this time of the year and it is a matter of guess work as to how long this will continue but hospitals and physicians are preparing for the worst.

Part the Life Policy Has in Conserving an Estate

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the demand for inheritance taxes and for the cost of probate and administration. Debts already incurred, after deceased's death, while remaining the same, have become immediately payable. The life underwriter should point out to his prospect that he should have enough coverage to pay the taxes that have become due, probate expenses and any debts, business or personal, that have been left. The agent should emphasize that all of these are payable, and that the federal and state inheritance taxes cannot be put off, even though the other creditors may be willing to wait for their money. Hence, if the prospect has a comparatively small amount of ready cash in the form of good securities or money, his business, home or poor securities will have to be sold or mortgaged in order to raise the required cash for these new debts that have been created upon his death.

Naturally, money that can be raised through loans totals much less because of the weakening in credit and value of the estate due to the prospect's death. This is also true, if the business must be sold to the deceased's competitors, who are going to beat down the price all they can.

While on small estates, this life insurance argument will not be so strong as on those of \$30,000 and more, a careful analysis of the prospect's liabilities and assets, with a calculation of their change upon his death, should convince him of the necessity of proper life coverage if he is to prevent what is apparently a sound estate from being broken up because of the need of large sums of ready cash.

Refugees Are Keeping the Union Central Wheels Going

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"First things first" has been the watchword for Union Central operations since Cincinnati was placed on a Sunday basis. When it was decided to set up temporary quarters here, the greatest difficulty was the problem of keeping in contact with home office files. Two direct wires were installed from the Deshler-Wallick to the home office. One of the wires leads directly to the files division, the other to the main switchboard. It is by means of these wires, spanning the 100-mile gap as easily as though the two offices were on different floors of one building, that necessary information has been transmitted to the underwriters working in Columbus, and that Mr. Cox and Mr. Clark have been in constant communication in order to keep their dual organization moving smoothly and in coordination.

Checks to Beneficiaries

The first responsibility of the "refugee" home office was the dispatch of checks to beneficiaries and annuitants. The work has gone forward without delay under the direction of Charles A. Handy, assistant secretary, in charge of claims, who came to Columbus and established H. E. Steinbock, chief of the

Leterman Again Leader of John Hancock Forces

E. G. Leterman of the Harry Gardiner general agency of the John Hancock Mutual in New York City becomes the eighth time winner of the company's \$1,500,000 merit emblem. For five years he has been better than a \$2,000,000 producer. He takes highest honors for leadership in 1936. He has many clients owning substantial amounts of life insurance but the smaller policies are an important part in his total production. Last year he paid for 230 policies excluding group and annuities amounting to \$1,108,000, averaging under \$5,000 per case. During 11 months last year he led the agency although he took time off to go on a honeymoon to Hawaii. Following his return from Hawaii he wrote \$25,000 on his first interview.

benefit division, with an experienced crew. Every claim and annuity payment has been disbursed when due.

Agents, too, need to be assured of the regular flow of their commission checks. In order to keep this activity uninterrupted, A. A. Spohr, auditor, came to Columbus and installed W. E. McGowan to handle all matters pertaining to commissions. Through this office commission payments to men in 60 agencies have been authorized by wire.

Next most important company function was that of issuing new business as applied for. The flood had descended upon Cincinnati at the beginning of the last week in the president's month sales campaign, a drive being held to honor President Cox upon the completion of his fifth year as chief executive. The day before the rising waters became a serious threat to the continuation of normal business operations, it was being estimated that Union Central agents would produce better than \$15,000,000 in applications during January, and better than \$10,000,000 in settled cases. When the flood became so serious that operations were disrupted the drive for new business threatened to end prematurely with but three weeks gone. But with the resumption of business in Columbus on an emergency basis it was possible to carry on and bring the drive to a successful conclusion.

Agency Department

A temporary agency department, with W. F. Hanselman, superintendent of agencies, was set up in the Deshler-Wallick. With him were H. J. Shaffer and K. D. Hamer, district supervisors, and E. J. Schindler, agency secretary. The field force was assured by wire that new business would be handled promptly, and the men were encouraged to put forth even greater effort to write business in the face of the handicaps at the home office.

A temporary medical department, was likewise established in the emergency home office, under the director of assistant Medical Directors Charles Maerz and W. O. Pauli. These doctors kept in close touch with Dr. William Muhlberg, medical director, at Cincinnati. Assistant Secretary R. H. Flynt in charge of underwriting, and Charles Helle, supervisor of applications, maintained liaison with Secretary R. S. Rust at the home office. As soon as each case was approved the agent was notified by telegraph that the company would be paid as soon as settlement was collected.

The Union Central field organization quickly caught the spirit and as a result the January totals were even greater than had been anticipated when the company was operating normally. On Sunday night, Jan. 31, the books showed a total of \$16,297,543 in submitted applications for the month of which \$11,774,225 had been paid for.

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